

Comprehensive Annual Financial Report of the City of Wixom, Michigan

for the fiscal year ending June 30, 2008

City of Wixom Officials

City Council

Mayor
Kevin W. Hinkley

James Cutright
Nancy Dingeldey

John Lee
Ronald Nordstrom, Jr.

Lori Rich
Richard Ziegler

City Administration

City Manager
J. Michael Dorman

City Clerk
Linda Kirby

City Attorney
Thomas Connelly, Esq.

Finance Director/Treasurer
Kevin Brady

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City of Wixom, Michigan



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City of Wixom, Michigan

December 2, 2008

To the Honorable Mayor and City Council
City of Wixom
Wixom, Michigan 48393

With this letter, we transmit the City of Wixom's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2008. This report has been prepared pursuant to, and in compliance with State statutes, which require the City to publish within six months of the close of each fiscal year a complete set of financial statements in compliance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards.

The financial statements have been prepared by the City's Finance Department for the purpose of disclosing the City's financial condition to its residents, elected officials, and other interested parties. Management assumes full responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the financial information is accurate in all material respects and is presented in a manner designed to present fairly the financial position of the City.

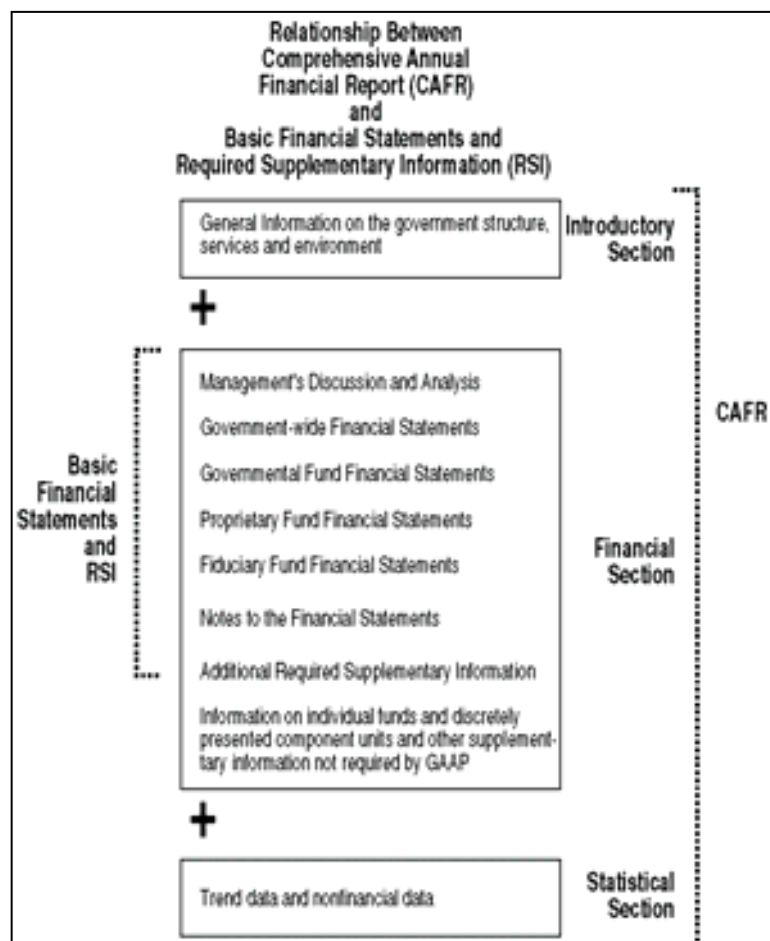
The Comprehensive Annual Financial Report is presented in three sections:

Introductory Section - The introductory section includes this letter of transmittal, the City's organizational chart, a list of principal officials, and a fund organizational chart.

Financial Section - The financial section includes the independent auditor's report on the basic financial statements, management's discussion and analysis, basic financial statements, and combining and individual fund statements and schedules for the City's nonmajor and fiduciary funds.

Statistical Section - The statistical section includes selected financial and demographic data depicting the City's historical trends and other significant information.

The City of Wixom's financial statements have been audited by





City of Wixom, Michigan

Plante & Moran, PLLC. The purpose of an independent audit is to provide reasonable assurance that the financial statements are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The audit concluded that there was a reasonable basis for rendering an unqualified opinion that the City of Wixom's financial statements for the year ended June 30, 2008 are fairly presented in conformity with GAAP. Plante & Moran's report is presented as the first component of the financial section of this report.

All local units of government within the state of Michigan must comply with the Uniform Budgeting and Accounting Act, PA 2 of 1968, as amended, which requires an annual audit of the financial records and transactions of the City by independent certified public accountants. The primary purpose of the auditing requirements of this act is to maintain the confidence of all interested parties in the integrity of the recordkeeping and financial reporting of local units of government. The independent audit of the City's financial statements did not require a "single audit" due to not meeting the \$500,000 grant threshold as federally mandated. The single audit is designed to meet specific requirements of federal grantor agencies. These requirements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the City's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards.

This letter is designed to introduce the financial report and provide information that would be useful in assessing the City's financial condition (particularly information about future resources and obligations). In addition, the financial statements include a narrative introduction, overview, and analysis in the form of a management's discussion and analysis (MD&A), which should be read in conjunction with this letter.

City Location and Character

The City of Wixom, incorporated in 1958, is strategically located in the southwestern portion of vibrant Oakland County, encompasses an area of approximately 9 square miles, and is approximately 30 miles northwest of downtown Detroit. Wixom is considered an excellent community in which to live and work. A dynamic, growing community, the City provides residents with a quality lifestyle including beautiful residential neighborhoods, excellent schools, and all the social and cultural opportunities that come with a thriving community. Wixom is well-connected to highway, rail, and air transportation routes offering outstanding accessibility.

The City operates under the City Council-Manager form of government. Policy-making and legislative authority are vested in City Council, which is presided over by the Mayor, who is elected for a two-year term. The six other Council members are elected for four-year overlapping terms. The City Council is responsible, among other things, for passing ordinances, adopting the budget, and appointing advisory board and Council members. The City Manager is responsible for carrying out the policies and ordinances of the City Council and for overseeing the day-to-day operations of the City. The City Council appoints the City Manager and City Clerk, who reports, as do all other department heads, to the City Manager.



City of Wixom, Michigan

Throughout its history, Wixom has enjoyed a high level of citizen involvement, which has contributed to the high quality of life in the community. Residents are elected or appointed to serve on City Council and a variety of committees, and boards. Residents and officials alike volunteer their time and talent to support various projects to benefit the community.

The City provides a wide range of municipal services, including police and fire protection; the construction and maintenance of roads and other infrastructure; recreational activities and cultural events; community planning, zoning, and code enforcement; refuse collection, water receiving, and sewer disposal services. In addition to general government activities, the activities of the Downtown Development Authority and the Local Development Finance Authority are reported as a separate component unit of the City. Component units are legally separate entities for which the primary government is financially accountable.

Factors Affecting Financial Condition

The information presented in the financial statements is best understood when it is considered from the broader perspective of the environment in which the City operates

Local Economy - The diverse tax mix of residential, manufacturing, office, service, technology, and retail-recreational centers reduces Wixom's impact of adverse economic cycles and provides a stable environment for new investment. The City also continues to have a strong, diversified tax base. A total of 38% of the tax roll is residential and apartments. The remaining 62% is nonresidential, composed of 12% commercial, 31% industrial and 19% personal property. The City is approximately 80 percent developed.

As of September 1, 2008 the largest taxpayer for the DDA/VCA, Wixom Village LLC, were delinquent on their 2008 real and personal property taxes in the amount of \$327,566. A portion of these taxes, DDA capture for \$40,957 and SAD capture for \$175,627, were to be used to cover the DDA Development Bond – Series 1 debt service payment amounting to \$320,260 and the Special Assessment District Bonds debt service payment amounting to \$200,040. A penalty of 4% and interest charge of 1% per month are assessed on delinquent taxes. The delinquent real property taxes and special assessment district taxes should be paid through the Oakland County's Revolving Fund by June 2009. Oakland County collects the real and personal property taxes that have gone delinquent.

With the fund balance of \$651,952 and the captured portion of taxes collected of \$288,997, the City will have sufficient funds to make the necessary debt service payments. The delinquent portion on the real property and special assessment district taxes amounting to \$230,999 should be advanced from Oakland County's Revolving Fund in June 2009 replenishing the debt service funds accordingly.

The region, which includes the City of Wixom and the surrounding area of Oakland County, has 14.3% of all people employed in Michigan (2003). More than 784,000 people work in Oakland County's 44,512 business establishments and government agencies with 35% of Global Fortune 500 companies having business locations in Oakland County. The City continues to attract businesses of national and international importance.



City of Wixom, Michigan

It is estimated that the future taxable values will decrease due to the decline in values in the real estate market. The estimated change in taxable value over the next two years could range from a decline of 4%-8%. This is predicated on the assumption that the downward trend in the housing market will continue. As discussed with City Council, the Five Year Action Plan will need modification to assist in softening the impact of this trend on the City's budget.

The City Charter allows a property tax rate of up to 8 mills, which is then reduced by the Headlee Amendment to 7.5429 mills. During the 2007-2008 fiscal year, the City levied 6.732 of its authorized mills. On November 7, 2006 voters established a new Library under Public Act 164, Section 10a which created a six member Library Board independent from the City. During the first year of operations a provisional Library Board has been appointed to govern the library. On November 6, 2007 a six member Library Board will be elected. This Library Board will oversee the operations of the City's Library and will approve the Library's budget.

Accounting and Budgetary Control - The City's comprehensive internal controls framework has been designed to protect the City's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of financial statements in conformity with GAAP. Internal accounting controls are designed to provide reasonable, but not absolute, assurance that the financial statements will be free from material misstatement.

The annual budget serves as the primary financial management tool for the City. From November to March, the City Manager and department heads develop and review departmental and activity budgets. At the budget review sessions in April and May, the City Council gives feedback and communicates its priorities and the direction in which it wishes to proceed. The City Manager, also in a public forum in May, presents the proposed budget in line-item detail to the City Council for review and approval. The Council is required to hold public hearings on the proposed budget and to adopt a final budget, by charter, on the fourth Tuesday in May.

The City of Wixom's budget is a plan that represents the City Council's commitment to provide cost-effective, efficient, and quality services to its residents. The annual budget is adopted in accordance with legal requirements governed by the City's Charter and the Uniform Budgeting Act, State of Michigan, P.A. 621 of 1978. Activities of the General Fund and Special Revenue Funds are included in the annual appropriated budget. The General Fund and Special Revenue Funds are under formal budgetary control. Financial plans for the Debt Service Funds, Enterprise Funds, Capital Project Funds and Component Units are submitted to City Council for review and approval. The City adopts its budget by function and category, which is the level of classification detail at which, by law, expenditures cannot exceed appropriations. Budget transfers between budgetary categories, functions or from fund balance are periodically approved by the City Council. Department heads with City Manager approval may make transfers of appropriations annually within a department up to an aggregate of \$20,000. Unexpended appropriations lapse at year end, while open purchase orders and contract encumbrances are immediately reappropriated to the subsequent fiscal year. Overall for the year, the total General Fund expenditures exceeded total revenues by only \$149,683. This included a transfer to the Budget Stabilization of \$632,891 in accordance with a five year financial plan instituted in FY2006 due to the announcement by Ford Motor Company.



City of Wixom, Michigan

Long-term Financial Planning – Over the past several years, the State has experienced economic difficulties. Approximately 10.8% of the City's total revenues come from sales tax that is collected by the State and shared with local units of government. Because of reductions in statewide collections of income tax and single business tax, the State government has retained a higher portion of the sales tax in order to balance its own budget. This has resulted in a decrease in state-shared revenue in the current year, and further reductions are expected for the near future. Over the last eight years the City's State Shared revenue has decreased from \$1,372,133 (10/31/2001) to \$1,085,664 (10/31/2008) or 20.9% reduction. While the constitutional portion of State Shared revenue has increased slightly over the last 8 years (\$44,486 or 5.2%), the statutory portion of State Shared revenue has decreased significantly over the same time period (-\$330,955 or -64.7%). Currently, the State projects revenue sharing total for the City will be \$1,085,664 for 10/31/2009 with the statutory portion at \$180,514 and the constitutional portion at \$905,150.

Along with efforts to ensure a future growth in tax revenue, in FY2006 the City developed a five year Financial Forecast/Action Plan for the City's General Fund and Capital Improvements Program to identify its long-term financial and capital needs and ability to fund programs and services.

The Action Plan highlights include the following goals for the next five years from FY2007 to FY2011.

1. Fund Balance will remain at 15%.
2. The City will try to keep the overall City millage rate the same over the next five year period.
3. The Headlee buffer will not be used unless it is absolutely necessary.
4. Each year any excess of actual over budget which causes the fund balance to exceed 15% at the close of the audit will be transferred to the Budget Stabilization Fund. At the close of Fiscal Year 6/30/2008, it is estimated that \$448,000 will be transferred to the Budget Stabilization Fund providing a combined fund balance of approximately \$2,447,916 as of 7/1/2008.
5. Changes in revenue have been implemented in the building permits and fees area according to the new construction valuation tables revised by the International Code Council (ICC). The City has begun an examination of other user charges and fees for rental charges for the cultural center, Parks & Recreation fees and charges, and user fees and charges for other services.
6. Reduction in capital improvements will be instituted before operational reductions where appropriate.
7. Budget amendments will be limited except if revenues are available to support increase in budget.
8. As of July 1, 2006, new hires for non-union will be provided Defined Contribution Retirement Plan (ICMA), rather than the MERS Defined Benefit Plan.
9. As of July 1, 2006, new hires for non-union will be provided an annual Defined Contribution Health Savings amount of \$1,300, rather than the 90%/10% Defined Benefit Health Plan for Retirees.
10. The City has instituted a Health Arrangement Plan to lower health insurance premiums for Non-union, Police Officer Union, and Clerical Union.



City of Wixom, Michigan

11. As of July 1, 2006, new hires for non-union employees will be provided HMO rather than PPO health insurance plans unless the employees pay for the additional cost for the PPO plan.
12. The City is examining with other communities privatizing or sharing services with different departmental functions such as Public Safety.
13. The City has reduced its workforce from 65-58 since FY2004 when it was necessary and available.
14. Over the next five years from FY2009 through FY2013, the City has identified over \$3.7 million in capital needs with funding sources in place to meet those needs.

From an operational perspective, while the City enjoys a diverse, growing economy, as well as a growing property tax base, factors exist that may constrain the City's fiscal health. The increase in property tax revenue continues to be constrained by the Headlee Amendment (which reduces the maximum authorized millage rate when property is transferred and increases in value) and the provisions of Proposal A (which limits increases in taxable values to 5 percent or the rate of inflation, whichever is less). Taken together, these fiscal factors create a trend of ever-tightening budgets under which the City must operate.

Finally, along with constrained resources, the City faces increasing financial challenges with escalating costs of employee benefits, especially for medical, prescription drug insurance and postemployment benefits. The 2008 expenses include a contribution of \$1.8 million towards retiree health care (\$1,341,000 that had been built up in prior years in the Retirees special revenue fund, plus \$464,000 of current year employer contribution). These expenses have not been allocated to the various functions or programs; they are included in the general government program. The City has made significant changes in the fringe benefit costs as indicated in its action plan. Greater revenue growth and/or cost containment measures have been implemented to help mitigate future stress on City finances.

Cash Management Policies and Practices - Temporarily idle cash from the City's various funds is invested in pooled cash and investment accounts. Tax collections and water and sewer utility collections are automatically sent to separate lockboxes which sweep the collections into investment accounts to provide better internal control and return on investments. The City complies with Public Act 20 of 1943 and Public Act 367 of the State of Michigan in its cash management procedures. Investment maturities are timed to meet the City's general liquidity needs. Investment instruments generally consisted of U.S. Treasury bills and notes, certificates of deposit, and state-approved pooled investment funds. Utilizing banking research information provided by the City's Financial Adviser, the City reviews each banking institution's financial status to assess the level of risk of each institution.



City of Wixom, Michigan

Risk Management - The City is a member of the Michigan Municipal Risk Management Authority (MMRMA), which is a risk sharing management insurance program for general and auto liability, auto physical damage, and property loss claims. The City is a member of the Michigan Municipal League Worker's Compensation Fund, which is a self-insured program for local governments and provides workers' disability compensation benefits to injured employees. This fund was authorized and approved under PA 317 of 1969, Section 611(2) of the Workers' Disability Compensation Act which allowed municipalities to pool their liabilities. Additional information on the City of Wixom's risk-management activity can be found in Note 9 of the notes to the financial statements.

Pension and Other Postemployment Benefits - The City participates in the Michigan Municipal Employees' Retirement System (MERS), an agent multiple-employer defined benefit pension plan that covers substantially all full-time employees of the City. The MERS provides retirement, disability, and death benefits to plan members and their beneficiaries. Required contributions are determined as a part of an annual actuarial valuation. As of December 31, 2007, the ratio of present assets to actuarial accrued liabilities was 68%. As of July 1, 2007 new non-union employees will be offered a Defined Contribution Plan using IMCA-RC. The City of Wixom also provides postretirement health care benefits for certain retirees and their dependents. As of the end of the current fiscal year, there were 5 retired employees receiving these benefits. Additional information pertaining to the City's pension and postemployment benefits can be found in Notes 10 and 11 of the notes to the financial statements.

In accordance with the Governmental Accounting Standards Board, the City has completed many of the steps related to Statement Number 45, Accounting and Reporting by Employers for Postemployment Benefits Other Than Pensions. This statement provides guidance for local units of government in accounting for the cost of retiree health care, along with other postemployment benefits.

The City began funding for Postemployment Benefits in Fiscal Year 1993 when the Retiree Insurance Fund was established. Though the City has less than 100 participants, an actuarial valuation was completed as of June 30, 2005. The obligation to provide retiree health care benefits included past service cost that will be amortized over a 30 year period. The City has begun to contribute an annual recommended contribution (ARC) as noted in the valuation. The contribution for FY 6/30/2008 was for \$464,506 for the General Fund portion and \$29,867 for the Library portion. As of FY 6/30/2008 the fund balance in the Insurance Retirement Fund amounted to \$1,817,049. In February 2005, the City set up trust fund under PA 149 of 1999 by establishing a Health Vehicle Investment Fund with Municipal Employees Retirement System (MERS). This was established with the hope to provide a greater rate of return on investments over an extended period of time. This statement number 45 is effective for the City's fiscal year ending June 30, 2009.

On September 18, 2007, the MERS Board approved amendments to the MERS Plan to further promote fiscal responsibility and plan integrity. Effective July 1, 2006, MERS will increase the minimum municipality and division funded level threshold for benefit adoptions to 60% from the current 50%; and will reduce the current MERS-wide amortization schedule from the current 25 years as of the December 31, 2010 annual valuations, to 20 years as of the December 31, 2015 valuation.



City of Wixom, Michigan

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting for the City of Wixom for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2007. This was the fourth year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR, which satisfies both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We hope that this current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine our eligibility for another certificate.

The preparation of this report was made possible by the dedicated service of the entire staff of the Finance Department. Special thanks to the Plante & Moran, PLLC, the City's auditors, which made substantial contributions to the review of this document. Each of these individuals has our sincere appreciation for the contributions made in the preparation of this report, as well as all additional individuals who assisted in this effort. Appreciation is also expressed to the City Council for their consistent leadership and support throughout the year in matters pertaining to the financial affairs of the City.

Respectfully submitted,

J. Michael Dornan
City Manager

Kevin Brady
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Wixom
Michigan

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



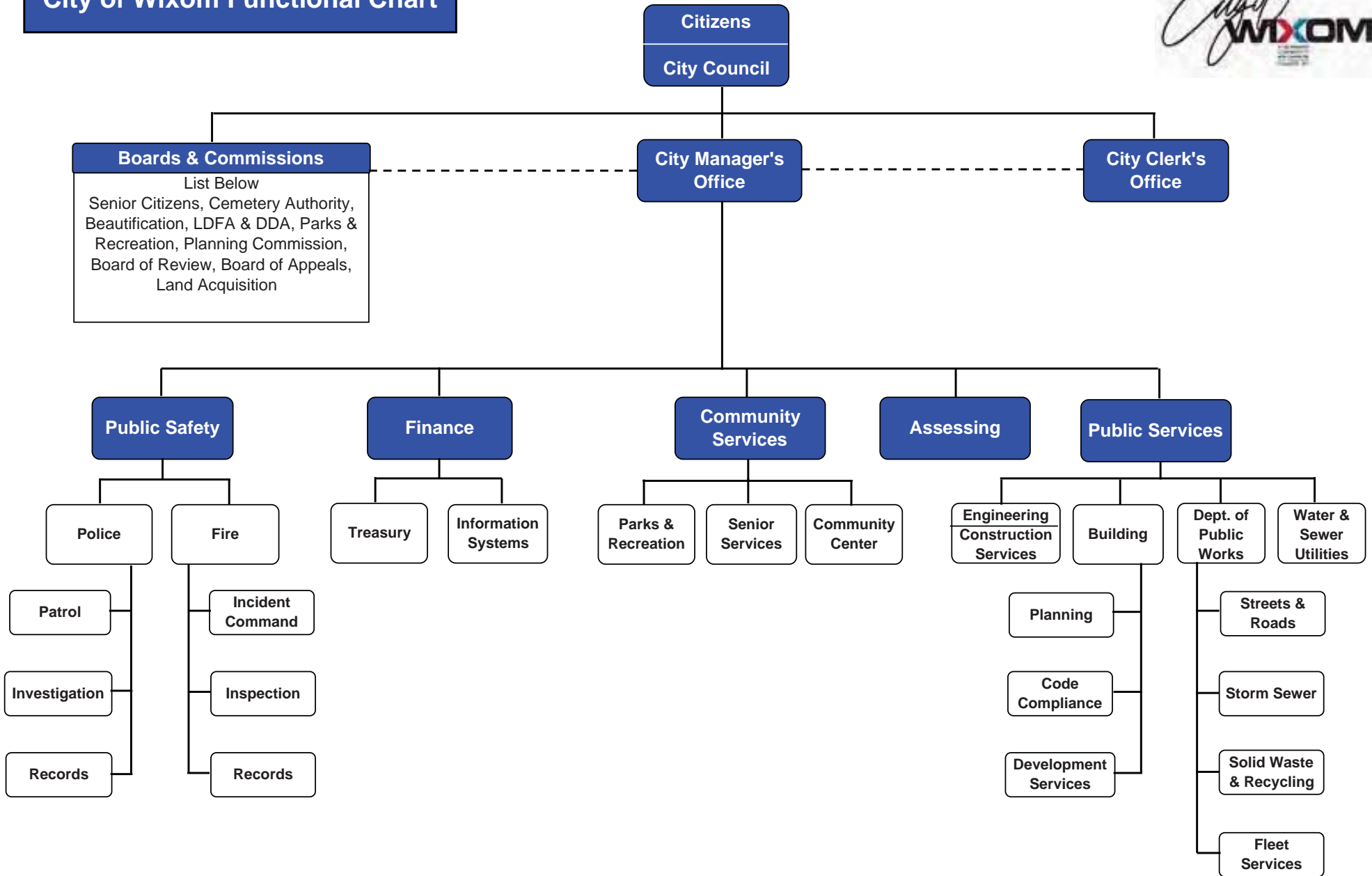
Charles S. Cox

President

Jeffrey R. Enos

Executive Director

City of Wixom Functional Chart



List of Principal Officials June 30, 2008

Title	Name
City Manager	J. Michael Dornan
Assistant City Manager	Tony Nowicki
Assessor	John Sailer
City Clerk	Linda Kirby
Deputy City Clerk	Anna Rottermond
Director of Public Works	Michael Howell
Building Official	John Lipchik
Finance Director/Treasurer	Kevin Brady
Deputy Treasurer	Marilyn Stamper
Community Services Director	Deanna MaGee
Public Safety Director	Clarence Goodlein
Fire Chief	Jeffrey Roberts

Fund Organizational Chart

June 30, 2008

City of Wixom, Michigan
Fund Organization Chart

Governmental Funds	
General Fund	Special Revenue Funds:
Debt Service Funds:	Community Development Block Grant Fund
Civic Center Debt	Capital Improvement Fund
Major Road Debt	Capital Planning Fund
Special Assessment	Major Road Act 51 Fund
DPW & Fire Construction Debt	Local Road Act 51 Fund
DDA/VCA Development Debt	Land Acquisition Fund
Capital Projects:	Local Road Capital Fund
Major Road Capital Fund	Safety Bike Path Fund
DPW & Fire Construction Fund	Forfeiture Fund
DDA/VCA Development Project	Special Agency
	Solid Waste Collection Fund
	Cemetery Fund
	Budget Stabilization Fund
Proprietary Funds - Enterprise Funds	
Water Enterprise Fund	Sewer Enterprise Fund
Fiduciary Funds	
Trust & Agency	Retiree Health Insurance
Component Units	
Downtown Development Authority	
Local Development Finance Authority	

Independent Auditor's Report

To the City Council
City of Wixom, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Wixom, Michigan (the "City") as of and for the year ended June 30, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Wixom, Michigan as of June 30, 2008 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

To the City Council
City of Wixom, Michigan

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Wixom, Michigan's basic financial statements. The management's discussion and analysis and the budgetary comparison schedules, as identified in the table of contents, are not required parts of the basic financial statements but are supplemental information required by the Governmental Accounting Standards Board. The introductory section, other supplemental information, statistical section, community profile, city maps, and annual disclosure document, as identified in the table of contents, are presented for the purpose of additional analysis and are not required parts of the basic financial statements. The budgetary comparison schedules, combining balance sheets, and combining statements of revenue, expenditures, and changes in fund balance have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. We have applied certain limited procedures to the management's discussion and analysis, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it. The introductory section, statistical section, community profile, city maps, and annual disclosure document have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Plante & Moran, PLLC

December 2, 2008

City of Wixom, Michigan



Management's Discussion and Analysis

As management of the City of Wixom, Michigan, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2008. We encourage readers to consider the information presented here in conjunction with the City's financial statements.

Financial Highlights

As discussed in further detail in this discussion and analysis, the following represents the most significant financial highlights for the year June 30, 2008:

- For governmental activities (General Fund and other funds), the current assets of the City exceed its current liabilities at the close of June 30, 2008 by \$14,656,942, which may be used to meet the governmental ongoing obligations to citizens and creditors.
- For business-type activities (Water and Sewer Utility Systems), the current assets of the City exceed its current liabilities at the close of June 30, 2008 by \$12,742,406, which may be used to meet the governmental ongoing obligations to citizens and creditors.
- Total net assets related to the City's governmental activities increased by \$988,215, while the net assets related to the City's business-type activities increased by \$2,537,531.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$13,751,465, an increase of \$1,093,507. The increase in fund balance is primarily due to total revenues exceeding total expenditures for all governmental funds by \$1,093,507 which provided resources for the creation and transfer to the Budget Stabilization Fund (\$632,891) as developed for the five year Financial Forecast/Action Plan, an increase in Local Roads Capital Program to be used for road projects (\$617,067), and assistance in funding of capital improvement projects through the City's five year capital improvement plan.
- The City's total debt during the fiscal year decreased from \$29,580,621 to \$26,662,126, a decrease of \$2,918,495, which represents payments of outstanding debt.

Using this Annual Report

This annual report consists of a series of financial statements: (1) management's discussion and analysis (this section), (2) government-wide financial statements, (3) fund financial statements, (4) notes to the financial statements, (5) required supplemental information, and (6) other supplemental information. The government-wide financial statements include the statement of net assets and the statement of activities, which provide information about the activities of the City of Wixom as a whole and present a longer-term view of the City of Wixom finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year, and whether the taxpayers have funded the full cost of providing government services. Both statements are used to indicate and monitor the overall financial health of the City.



Management's Discussion and Analysis (Continued)

The fund financial statements present a short-term view; they tell us how the taxpayers' resources were spent during the year, as well as how much is available for future spending. Fund financial statements also report the City of Wixom's operations in more detail than the government-wide financial statements, by providing information about the City of Wixom's most significant funds. Some of these funds are mandated by federal and State law and bond covenants. The City Council establishes other funds to control and manage funds for particular purposes or to show it complies with legal requirements.

The fiduciary fund statements provide financial information about activities for which the City of Wixom acts solely as a trustee or agent for the benefit of those outside of the government. These assets are restricted in purpose and do not represent discretionary assets of the City, and so these assets are not included in the governmental-wide financial statements.

The notes to the financial statements are provided to give the reader additional information that is important to a full understanding and disclosure of the financial data provided for the government-wide and fund financial statements.

The additional required and other supplementary information follows the basic financial statements that further explains and supports the information in the financial statements including budgetary comparison schedules and information for the General Fund and other major funds and schedules of non-major funds in fund financial statement format.

The City of Wixom as a Whole

As noted before, the City's combined net assets increased by approximately 3.65 percent from a year ago, increasing from \$96,635,838 to \$100,161,584. A review of the governmental activities, separately from the business-type activities, shows an increase of \$988,215 in net assets which included a decrease of \$1,341,024 to transfer Retiree Benefits to a trust fund for benefits, an increase in unrestricted net assets of \$2,068,239, an increase by \$551,779 for major and local roads and decrease in capital projects for \$150,597. Further reasons are shown below along with diligence in the area of expenditure control, disciplined budgeting practices, and continued growth/additions in property values within the City.

Category	Net Change
Decrease in net investment in capital assets	(174,328)
Increase in reserves for street and highway programs	551,779
Increase capital projects expenditure reserves	(150,597)
Transfer of reserves for retiree benefits	(1,341,024)
Decrease in special agency reserves	(124,372)
Other Purpose	7,323
Change in debt service funds and deferred revenue for SAD	151,195
Change in unrestricted net assets	2,068,239
Net Change to Net Assets-Statement of Activities	988,215



Management's Discussion and Analysis (Continued)

The business-type activities experienced a \$2,537,531 increase in net assets as well. This was primarily due to a \$1,800,000 credit from Detroit Water and Sewer Department on future billing, contributions of water and sewer lines by developers of \$2,309,904, and a transfer to Budget Stabilization for \$1,250,000, while overall operating expenses decreased by \$140,381. The following table shows, in a condensed format, the net assets as of the current date and compared to the prior year:

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Assets:						
Current assets	\$ 17,887,245	\$ 17,286,916	\$ 14,229,985	\$ 12,017,616	\$ 32,117,230	\$ 29,304,532
Capital Assets	42,216,594	43,543,041	54,945,687	55,567,234	97,162,281	99,110,275
Noncurrent assets	-	-	596,575	1,030,759	596,575	1,030,759
Total assets	60,103,839	60,829,957	69,772,247	68,615,609	129,876,086	129,445,566
Liabilities:						
Current liabilities	3,230,302	3,408,551	1,487,579	1,904,418	4,717,881	\$ 5,312,969
Long-term liabilities	13,121,013	14,657,097	11,875,608	12,839,662	24,996,621	27,496,759
Total liabilities	16,351,315	18,065,648	13,363,187	14,744,080	29,714,502	32,809,728
Net assets:						
Invested in capital assets -						
Net of related debt	30,612,313	31,546,198	42,708,561	41,806,613	73,320,874	73,352,811
Restricted	6,545,373	7,451,069	596,575	1,030,759	7,141,948	8,481,828
Unrestricted (deficit)	6,594,838	3,767,042	13,103,924	11,034,157	19,698,762	14,801,199
Total net assets	\$ 43,752,524	\$ 42,764,309	\$ 56,409,060	\$ 53,871,529	\$ 100,161,584	\$ 96,635,838

The largest portion of the City's net assets (73 percent) represents its investment in capital assets (i.e., land, buildings, vehicles, equipment, water and sewer utility systems, and road infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the City's investments in its capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Net assets of \$7,141,948 represent resources that are subject to external restriction on how they may be used due to legal restrictions. The remaining unrestricted assets of \$19,698,762 may be used to meet the government's ongoing obligations to citizens and creditors.

City of Wixom, Michigan



Management's Discussion and Analysis (Continued)

At the end of the current fiscal year, the City can report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenue						
Program revenue:						
Charges for services	\$ 1,784,842	\$ 2,576,291	\$ 3,347,616	\$ 3,305,190	\$ 5,132,458	\$ 5,881,481
Operating grants and contributions	890,440	903,346	1,250,000	-	2,140,440	903,346
Capital grants and contributions	225,661	1,320,612	2,309,904	702,385	2,535,565	2,022,997
General revenue:						
Property taxes	9,689,543	9,107,246	1,143,994	1,141,955	10,833,537	10,249,201
State-shared revenue	1,089,023	1,088,234	-	-	1,089,023	1,088,234
Unrestricted investment earnings	593,185	945,427	445,673	576,237	1,038,858	1,521,664
Miscellaneous	254,615	385,601	-	-	254,615	385,601
Transfers in	1,250,000	-	-	-	1,250,000	-
Sale of capital assets	-	-	144,000	-	144,000	-
Total revenue	15,777,309	16,326,757	8,641,187	5,725,767	24,418,496	22,052,524
Program Expenses						
General government	4,240,934	2,338,463	-	-	4,240,934	2,338,463
Public safety	4,287,130	3,961,579	-	-	4,287,130	3,961,579
Public works	4,292,284	4,338,637	-	-	4,292,284	4,338,637
Health and welfare	505,670	480,362	-	-	505,670	480,362
Recreation and culture	818,698	814,541	-	-	818,698	814,541
Interest on long-term debt	644,378	697,067	420,885	442,517	1,065,263	1,139,584
Transfers out	-	-	1,250,000	-	1,250,000	-
Water and sewer	-	-	4,432,771	4,573,152	4,432,771	4,573,152
Total program expenses	14,789,094	12,630,649	6,103,656	5,015,669	20,892,750	17,646,318
Change in Net Assets	<u>\$ 988,215</u>	<u>\$ 3,696,108</u>	<u>\$ 2,537,531</u>	<u>\$ 710,098</u>	<u>\$ 3,525,746</u>	<u>\$ 4,406,206</u>

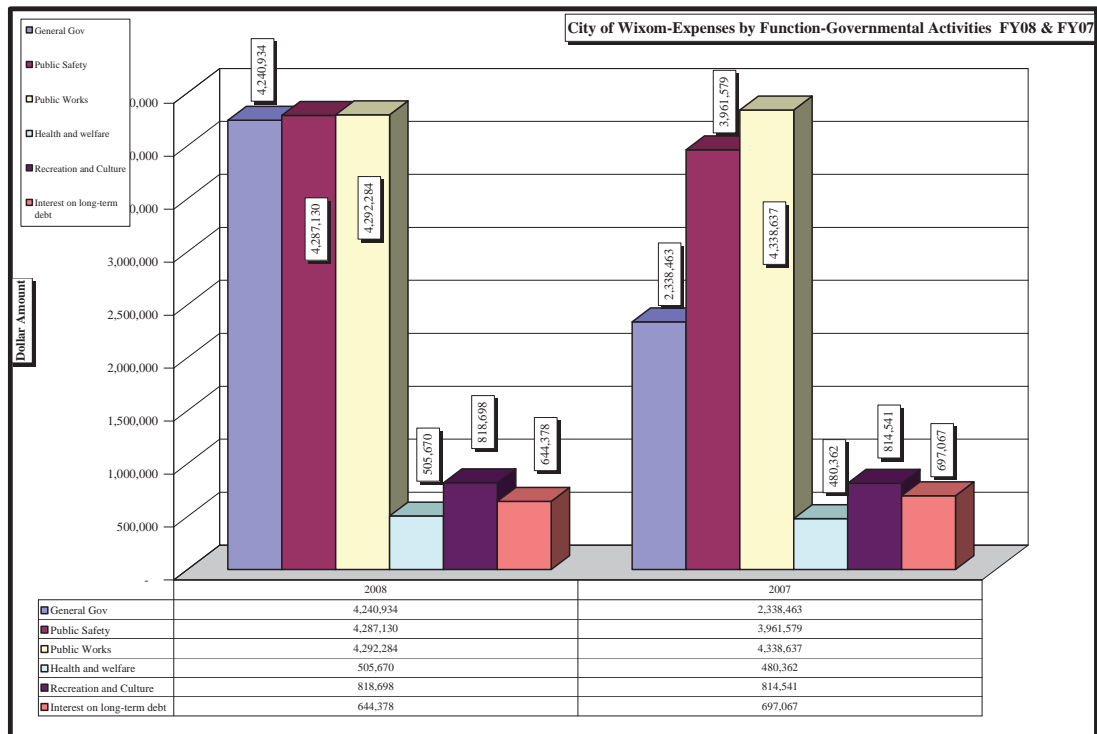
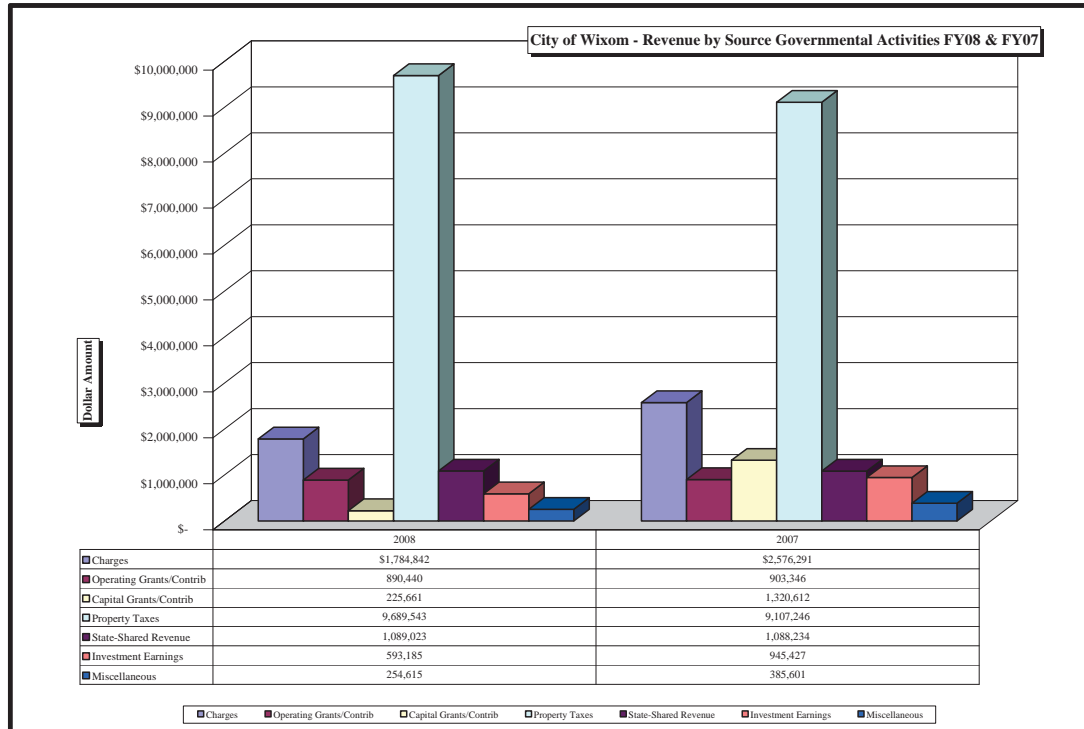
Governmental Activities

The City of Wixom's total governmental revenues decreased by \$549,448 (3.4 percent decrease), which was primarily due to insurance proceeds of \$396,000 received in FY2007 and higher LDFA contribution amounts in FY2007 for road projects, and decreases in investment income, and an increase in property taxes. The continued effects of a slow down in the state and national economies could still be felt along with the State of Michigan's budget problems.

City of Wixom, Michigan



Management's Discussion and Analysis (Continued)



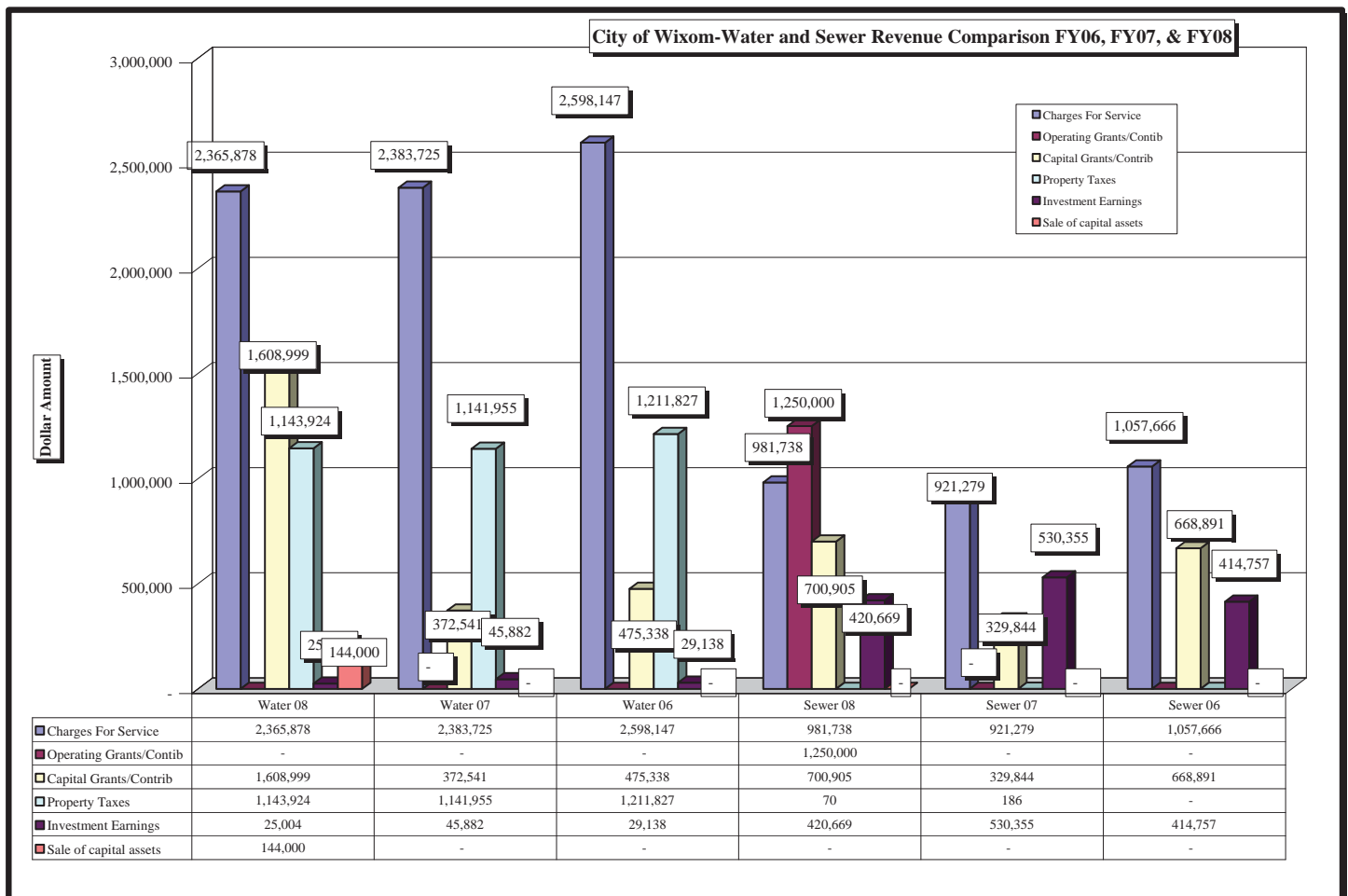
City of Wixom, Michigan



Management's Discussion and Analysis (Continued)

Business-type Activities

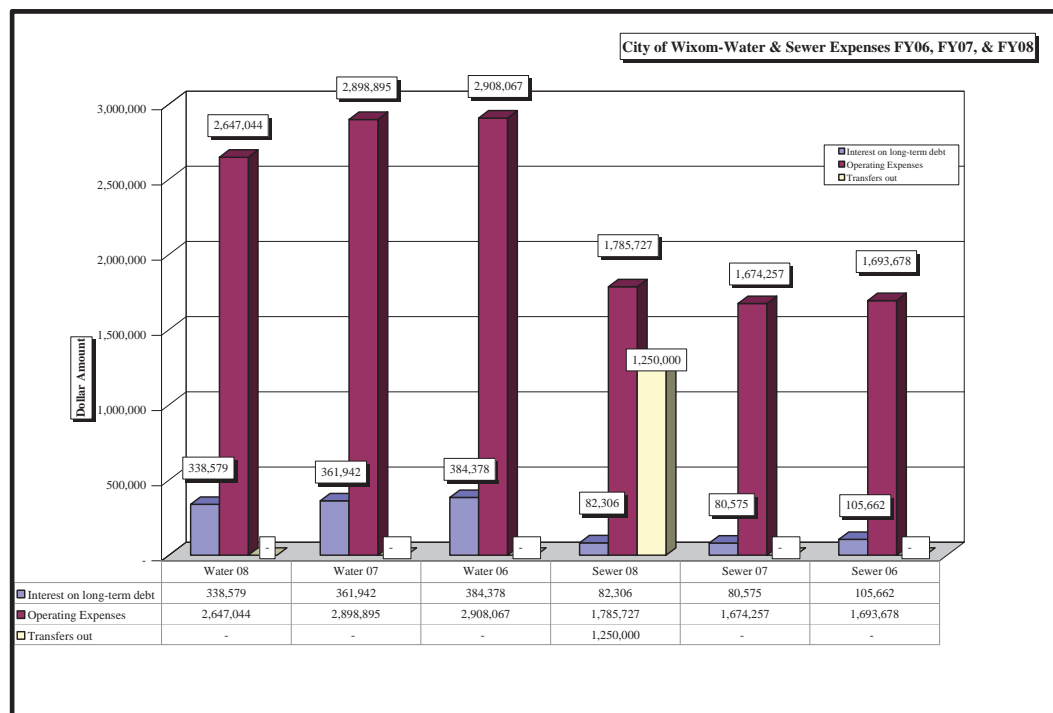
The City of Wixom's business-type activities consist of the Water and Sewer Fund. The City provides its residents water, which it purchases from the City of Detroit Water System. Approximately 52% of the City's water operating expense is related to the City of Detroit's wholesale charge for water service. The capital contribution for lines from developers increased from \$702,385 to \$2,309,904. The City provides sewage treatment through a City owned and operated sewage treatment plant. The operating contribution was due to the readiness to serve charge of \$1,250,000 to permit an outside community to use the City's wastewater services. The City contracts out its water and sewer operational services to Earth Tech.





Management's Discussion and Analysis (Continued)

The Water Fund's operating expenses decreased by \$251,851 from fiscal year 2007 with reduction due to decline in DWSD water usage. The Sewer Fund's operating expenses increased by \$111,470 from fiscal year 2007 which was due to a increase in all operating expense accounts including a special I&I Study for \$25,820.



The City of Wixom's Funds

Our analysis of the City of Wixom's major funds begins on page 16, following the government-wide financial statements. The fund financial statements provide detail information about the most significant funds, not the City as a whole. The City Council creates funds to help manage money for specific purposes as well as to show accountability for certain activities, such as State of Michigan Act 51 major and local road revenue sharing, accounting for drug forfeiture revenue and expenditures, capital projects, and voted debt retirement funds. The City of Wixom's major funds for 2008 include the General Fund, the Major Road Act 51 Fund, the Local Road Act 51 Fund, the Local Road Capital Program Fund, the Capital Improvement Fund, the Capital Planning Fund, the Budget Stabilization Fund, and the Special Assessment Fund. The Special Revenue Retirees Health Benefit Fund is now a Trust Fund holding assets for Retirees health insurance.

City of Wixom, Michigan



Management's Discussion and Analysis (Continued)

The General Fund pays for most of the City of Wixom's governmental services. The most significant expenses are public safety (police and fire), which incurred costs of \$4,287,129, or 29 percent of total governmental funds, and for public works, which incurred expenses of \$4,292,285, or 29 percent of total governmental funds in fiscal year 2008. The general government expenses include the contribution from employer of \$1,341,024 to move retiree health benefits. The general government expenses excluding this one time expense would be \$2,899,910 or 20% of total governmental activities. A major part of the public works expenses related to the completion of road projects Potter Road rehabilitation and other road improvements. The public works services are supported by the Major Street Capital Program Fund, the Local Road Capital Fund, the Safety Bike Path Fund, and the General Fund. The general operating millage levied by the City supports not only these functions, but other major operating costs such as funding general government administration, recreation and cultural programs, and other activities. The general operating millage does not support other costs such as water and sewer, and General Obligation Bond issues supported by millage or fees.

General Fund Budgetary Highlights

Over the course of the year, the City of Wixom amended the budget to take into account unanticipated events during the year. The most significant of these events during fiscal year 2008, related to the funding of the Budget Stabilization Fund for \$632,891 in accordance with the five year Financial Forecast/Action Plan, to adjust the major and local road programs and major and local Act 51 budgets at year end to estimated actual costs, and to record the purchase of a fire ladder truck for \$975,000. The differences between the original budget and the final amended budget for revenues and expenditures were 6% percent increase in revenues of \$608,160, and 6% percent increase in expenditures of \$608,160. The most significant of these events during fiscal year 2008 was related to the funding of the Budget Stabilization Fund, a reduction in activity in the Building Department, and an increase in activity in the DPW Department and Planning Commission special study activities.

The differences between the final amended budget and the actual amounts were significant in the expenditure area. Revenues received were minimally higher than budgeted by (\$45,339), while expenditures were 4.1 percent less than budgeted (\$440,566). Consequently, the General Fund continues to maintain a fund balance of \$1,999,916, which will help the City to maintain its current level of services. According to the Financial Action Plan approximately \$448,000 will be transferred to the Budget Stabilization Fund in FY 2009.

Capital Assets and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2008 amounts to \$97,162,281; net of accumulated depreciation. Investment in Capital assets net of related debt in governmental activities show net capital assets at \$30,612,313 and business-type activities show net capital assets at \$42,708,561. This investment includes a wide range of capital assets, including local and major streets, bike paths, and sidewalk infrastructure. This is the sixth year the City is reporting its infrastructure assets in accordance with GASB Statement No. 34. The City follows the State of Michigan guidelines for the useful life of its road infrastructure.



Management's Discussion and Analysis (Continued)

Road Infrastructure - Changes in Useful Life of Assets		
Category	Previous Useful Life	New Useful Life
Local Roads	Asphalt 15 Yrs, Concrete 20 Yrs	Asphalt 20 Yrs, Concrete 30 Yrs
Major Roads	Asphalt 15 Yrs, Concrete 20 Yrs	Asphalt 20 Yrs, Concrete 30 Yrs
Sidewalks	25 Years	30 Years
Bikepaths	25 Years	30 Years

This year's major capital improvements included the following:

- Vehicle purchases included (1) pick-up truck replacement that were acquired for the Wixom DPW department, which cost \$33,431, (2) the purchase of new police vehicles for \$80,740, (3) replacement of DPW dump truck for \$56,287, and (4) replacement of a fire ladder truck for \$885,325 which was not completed at year end and is shown as a prepaid expenditure.
- Road improvements included (1) major road capital improvements of \$536,996 for Potter Road improvements (2) other local road and major road maintenance capital improvements of \$89,837 (3) bike path improvements of \$94,577.
- Parks and recreation improvements amounted to \$89,541, which included improvements to one of the City's historical properties, the Gibson House, and improvements to various City parks, and the purchase of a computer software for \$18,552.
- Other special purchases included a cultural center improvements for \$28,728, copier machine purchase for DPW for \$11,439, DPW equipment for \$34,095, and computer equipment purchase for \$13,501.

For more detail on Capital Assets please see Note 5 of the Notes to the Financial Statements.

Long-term Debt

At the end of the fiscal year, the City had total long-term bonds outstanding of \$26,662,126. Of this amount, \$14,425,000 comprises debt for governmental activities while \$12,237,126 comprises debt for business-type activities. This debt is reported as a liability in the governmental activities and business-type activities in the statement of net assets. The City's total debt during the fiscal year decreased from \$29,580,621 to \$26,662,126, a decrease of \$2,918,495, which represents payments of outstanding debt.

State statutes limit the amount of the general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for the City is \$94,428,330 which is significantly in excess of the City's outstanding general obligation debt. The City has an A+ rating for general obligation unlimited and limited tax bonds from Standards & Poor's. Moody's rated the City's general obligation unlimited tax bonds at A1 and the general obligation limited tax bonds at A2. For more detail on Capital Assets please see Note 5 and Long-term Debt please see Note 7 of the Notes to the Financial Statements.



Management's Discussion and Analysis (Continued)

Economic Factors and Next Year's Budgets and Rates

The diverse tax mix of residential, manufacturing, office, service, technology, and retail-recreational centers reduces Wixom's impact of adverse economic cycles and provides a stable environment for new investment. The City also continues to have a strong, diversified tax base. A total of 38% of the tax roll is residential and apartments. The remaining 62% is nonresidential, composed of 12% commercial, 31% industrial and 19% personal property. The City is approximately 80 percent developed.

The region, which includes the City of Wixom and the surrounding area of Oakland County, has 14.3% of all people employed in Michigan (2003). More than 784,000 people work in Oakland County's 44,512 business establishments and government agencies with 35% of Global Fortune 500 companies having business locations in Oakland County. The City continues to attract businesses of national and international importance.

It is estimated that the future taxable values will decrease due to the decline in values in the real estate market. The estimated change in taxable value over the next two years could range from a decline of 4%-8%. This is predicated on the assumption that the downward trend in the housing market will continue. As discussed with City Council, the Five Year Action Plan will need modification to assist in softening the impact of this trend on the City's budget.

In November 2008 the City residents approved 1.15 mills to extend the road improvement millage for an additional 15 years, and added .30 mills for bike path improvements. This will provide the necessary funds to do major infrastructure improvements to the local and major road systems and bike paths of the City.

With the closing of the Ford Motor Company Assembly Plant and the economic struggle of the US automotive industry, the City along with other communities in similar situations are requesting \$1 billion in federal assistance to help in the cleanup, rehabilitation and development of these properties. Meetings with congressional and senate leaders and key administration officials have begun with the objective to provide economic development grants to local governments where automotive plants have closed or will close.

City of Wixom, Michigan



Management's Discussion and Analysis (Continued)

State Shared Revenue: Though the State increased their income tax rate from 3.9% to 4.35% and raised their sales tax to 6% on certain services, the State budget is still not balanced. It is unknown whether the State will reduce the City's Statutory portion of State Shared Revenue amounting to \$180,514 to help balance their budget.

Fiscal Year (State)	Statutory	Constitutional	Total	% Change	Dollar Amount
10/31/2001	511,469	860,664	1,372,133	-2%	(24,882)
10/31/2002	460,228	869,432	1,329,660	-3%	(42,473)
10/31/2003	384,318	884,153	1,268,471	-5%	(61,189)
10/31/2004	265,494	874,548	1,140,042	-10%	(128,429)
10/31/2005	232,197	895,419	1,127,616	-1%	(12,426)
10/31/2006	204,406	910,663	1,115,069	-1%	(12,547)
10/31/2007	190,121	891,741	1,081,862	-3%	(33,207)
10/31/2008	180,514	905,150	1,085,664	0%	3,802
Total				-13%	(172,742)

Public Act 51 Revenue: The City may transfer excess funds from their Act 51 Major Roads Fund to their Act 51 Local Roads Fund if excess revenues over expenditures exist. In the past, it has been the City's practice to transfer the remaining Act 51 Major Roads Fund revenue to support the Act 51 Local Roads Fund. The change in law permits a higher transfer percent if the City qualifies. The City will need to adopt an Asset Management Plan for their major and local roads. The Asset Management Plan is in the process of being prepared and will likely be completed by the summer of 2009. The City will need to adopt a resolution stipulating that they will adhere to the provisions and requirements of the new law. It has been common practice as shown below for the City to utilize this law to assist in maintaining the City's local roads.

City's Fiscal Year	Act 51 Major Road Revenue	Amount	Percent
FY2008	493,050	58,429	11.9%
FY2007	499,517	59,186	11.8%
FY2006	505,808	115,048	22.7%
FY2005	511,093	109,888	21.5%
FY2004	569,673	142,418	25.0%

City of Wixom, Michigan



Management's Discussion and Analysis (Continued)

The General Fund fiscal year 2009 budget for next year calls for a decrease in overall expenditures to \$10,344,501 compared to the amended budget for fiscal year 2008 of overall expenditures of \$10,719,543. This is an approximate 3.5 percent decrease or \$375,042 in total General Fund budgeted expenditures over the previous year. This decrease is principally due to the funding of the Budget Stabilization Fund in FY2008. Accordingly, it is anticipated that \$448,000 will be transferred to the Budget Stabilization Fund for FY2009, which will make the difference in overall expenditures between the FY2008 Amended Budget and FY 2009 Budget only \$72,958. Budgeted expenditures exceed budgeted revenues by \$213,483, along with an anticipated contribution of \$600,000 from the Budget Stabilization Fund for fiscal year 2009. With the return of \$448,000 to the Budget Stabilization Fund it is anticipated that expenditures will only exceed revenues by approximately \$365,000. During the 2008-2009 fiscal year, administration will continue to monitor revenues and expenditures and attempt to expend less than authorized by the budget.

Contacting the City of Wixom Management

This financial report is intended to provide our citizens, taxpayers, customers, and investors with a general overview of the City of Wixom's finances and to show the City of Wixom's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the Clerk's office or the Finance Office, City of Wixom, 49045 Pontiac Trail, Wixom, Michigan 48393.

Description	Amended		Difference	Percent Change
	Budget 2007-2008	Budget 2008-2009		
Legislative	21,626	19,626	(2,000)	-9.25%
City Manager	450,856	455,167	4,311	0.96%
Assessor	197,509	199,019	1,510	0.76%
Building	486,348	517,378	31,030	6.38%
Legal Counsel and Assistance	93,300	86,500	(6,800)	-7.29%
Clerks	184,855	185,092	237	0.13%
Information Systems	143,673	140,497	(3,176)	-2.21%
Financial Administration	432,697	421,534	(11,163)	-2.58%
General Operating	440,863	555,727	114,864	26.05%
Building Maintenance	55,500	53,310	(2,190)	-3.95%
Cultural Center	326,910	315,867	(11,043)	-3.38%
Emergency Management	1,000	-	(1,000)	0.00%
Fire	916,183	955,009	38,826	4.24%
Police	3,179,431	3,222,840	43,409	1.37%
DPW	1,574,951	1,516,672	(58,279)	-3.70%
Board of Appeals	6,050	5,050	(1,000)	-16.53%
Board of Review	1,300	1,200	(100)	-7.69%
Planning Committee	71,947	43,750	(28,197)	-39.19%
Senior Citizen Committee	37,800	59,659	21,859	57.83%
Community Service	445,072	460,198	15,126	3.40%
Beautification Committee	17,275	4,675	(12,600)	-72.94%
Interfund Transfers	1,634,397	1,125,731	(508,666)	-31.12%
EXPENDITURE TOTAL	10,719,543	10,344,501	(375,042)	-3.50%

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City of Wixom, Michigan
Statement of Net Assets
June 30, 2008



	Governmental Activities	Business-type Activities	Total	Component Units
Assets				
Cash and investments (Note 3)	\$ 12,610,921	\$ 11,270,633	\$ 23,881,554	\$ 3,660,589
Receivables - Net (Note 4)	3,600,629	2,767,278	6,367,907	5,626
Internal balances	(25,840)	25,840	-	-
Other assets	1,701,535	-	1,701,535	-
Inventories	-	166,234	166,234	-
Restricted assets (Note 8)	-	596,575	596,575	-
Capital assets not being depreciated-Land (Note 5)	4,848,235	-	4,848,235	154,296
Capital assets - Net of accumulated depreciation (Note 5)	37,368,359	54,945,687	92,314,046	293,782
Total assets	\$ 60,103,839	\$ 69,772,247	\$ 129,876,086	\$ 4,114,293
Liabilities				
Accounts payable	586,468	511,581	1,098,049	8,626
Accrued and other liabilities	274,308	82,684	356,992	-
Deferred Revenue - Unearned	449,573	-	449,573	-
Customer deposits	-	531,796	531,796	-
Compensated absences:				
Due within one year	354,953	-	354,953	-
Due in more than one year	261,013	-	261,013	-
Long-term debt (Note 7):				
Due within one year	1,565,000	893,314	2,458,314	-
Due in more than one year	12,860,000	11,343,812	24,203,812	44,000
Total liabilities	16,351,315	13,363,187	29,714,502	52,626
Net Assets				
Invested in capital assets - Net of related debt	30,612,313	42,708,561	73,320,874	404,078
Restricted (Note 12)				
Streets and highways	3,361,754	-	3,361,754	-
Capital projects	1,176,064	-	1,176,064	-
Special agency-development	1,239,421	-	1,239,421	-
Other purpose	12,657	-	12,657	-
Debt service funds	755,477	596,575	1,352,052	-
Unrestricted	6,594,838	13,103,924	19,698,762	3,657,589
Total net assets	43,752,524	56,409,060	100,161,584	4,061,667
Total liabilities and fund balances	\$ 60,103,839	\$ 69,772,247	\$ 129,876,086	\$ 4,114,293

City of Wixom, Michigan
Statement of Activities
Year Ended June 30, 2008

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/Programs				
Primary government:				
Governmental activities:				
General government	\$ 4,240,934	\$ 233,200	\$ 189,221	\$ -
Public safety	4,287,129	166,442	-	-
Public works	4,292,285	672,399	701,219	225,661
Health and welfare	505,670	489,648	-	-
Recreation and culture	818,698	223,153	-	-
Interest on long term-debt	644,378	-	-	-
Total governmental activities	14,789,094	1,784,842	890,440	225,661
Business-type activities:				
Water	2,985,623	2,365,878	-	1,608,999
Sewer	1,868,033	981,738	1,250,000	700,905
Total business-type activities	4,853,656	3,347,616	1,250,000	2,309,904
Total primary government	\$ 19,642,750	\$ 5,132,458	\$ 2,140,440	\$ 2,535,565
Component units:				
Downtown Development Authority	\$ 270,230	\$ -	\$ -	\$ -
Local Development Finance Authority	33,184	-	-	-
Total component units	\$ 303,414	\$ -	\$ -	\$ -
General revenues:				
Property taxes				
State-shared revenues (Unrestricted)				
Unrestricted investment earnings				
Miscellaneous				
Transfers				
Total general revenue and special item				
Change in Net Assets				
Net Assets - Beginning of year				
Net Assets - End of year				

The Notes to Financial Statements are an Integral Part of This Statement



Net (Expense) Revenue and Changes in Net Assets

Primary Government

Governmental Activities	Business-type Activities	Total	Component Units
\$ (3,818,513)	\$ -	\$ (3,818,513)	\$ -
(4,120,687)	-	(4,120,687)	-
(2,693,006)	-	(2,693,006)	-
(16,022)	-	(16,022)	-
(595,545)	-	(595,545)	-
(644,378)	-	(644,378)	-
(11,888,151)	-	(11,888,151)	-
-	989,254	989,254	-
-	1,064,610	1,064,610	-
-	2,053,864	2,053,864	-
\$ (11,888,151)	\$ 2,053,864	\$ (9,834,287)	\$ -
\$ -	\$ -	\$ -	\$ (270,230)
-	-	-	(33,184)
\$ -	\$ -	\$ -	\$ (303,414)
9,689,543	1,143,994	10,833,537	254,744
1,089,023	-	1,089,023	-
593,185	445,673	1,038,858	140,971
254,615	144,000	398,615	-
1,250,000	(1,250,000)	-	-
12,876,366	483,667	13,360,033	395,715
988,215	2,537,531	3,525,746	92,301
42,764,309	53,871,529	96,635,838	3,969,366
\$ 43,752,524	\$ 56,409,060	\$ 100,161,584	\$ 4,061,667

City of Wixom, Michigan
Governmental Funds
Balance Sheet
June 30, 2008

	General	Major Road Act 51	Local Road Act 51	Local Road Capital Program
Assets				
Cash and investments	\$ 3,558,854	\$ -	\$ -	\$ 2,513,407
Receivables - Net	35,999	80,766	34,111	-
Due from governmental units	390	-	-	-
Other assets	54,766	-	-	-
Due from other funds	535,174	-	-	11,307
Total assets	<u><u>\$ 4,185,183</u></u>	<u><u>\$ 80,766</u></u>	<u><u>\$ 34,111</u></u>	<u><u>\$ 2,524,714</u></u>
Liabilities				
Accounts payable	\$ 349,054	\$ -	\$ -	\$ 42,756
Accrued and other liabilities	154,498	-	-	-
Deferred Revenue	-	-	-	-
Due to other funds	1,681,715	80,766	34,111	-
Total liabilities	2,185,267	80,766	34,111	42,756
Fund balances - Unreserved, reported in				
Reserved for prepaid fire truck	-	-	-	-
Unreserved, reported in:				
General Fund	1,999,916	-	-	-
Special Revenue Funds	-	-	-	2,481,958
Debt Service Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Total fund balances	<u>1,999,916</u>	<u>-</u>	<u>-</u>	<u>2,481,958</u>
Total liabilities and fund balances	<u><u>\$ 4,185,183</u></u>	<u><u>\$ 80,766</u></u>	<u><u>\$ 34,111</u></u>	<u><u>\$ 2,524,714</u></u>

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and are not reported in the funds

Revenue reported in the statement of activities that does not provide current financial resources and is not reported as revenue in the governmental funds (GASB #33)

Accrued liabilities and other liabilities reported in the statement of activities and are not reported as expenditures in the governmental funds

Deferred Revenue not reported as revenue in the governmental funds

Long-term liabilities are not due and payable in the current period and are not reported in the funds

Net assets of governmental activities

The Notes to Financial Statements are an Integral Part of This Statement



Capital Improvement	Capital Planning	Budget Stabilization	Special Assessment	Other Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 430,665	\$ 2,666,208	\$ 331,361	\$ 3,110,426	\$ 12,610,921
-	-	-	2,981,250	54,550	3,186,676
-	-	-	-	-	390
-	885,325	-	-	761,443	1,701,534
70,228	-	-	-	1,268,419	1,885,128
\$ 70,228	\$ 1,315,990	\$ 2,666,208	\$ 3,312,611	\$ 5,194,838	\$ 19,384,649
\$ 70,228	\$ -	\$ -	\$ -	\$ 124,430	\$ 586,468
-	-	-	-	-	154,498
-	-	-	2,981,250	-	2,981,250
-	84,525	25,131	-	4,720	1,910,968
70,228	84,525	25,131	2,981,250	129,150	5,633,184
-	885,325	-	-	-	885,325
-	-	-	-	-	1,999,916
-	346,140	2,641,077	-	2,554,963	8,024,138
-	-	-	331,361	456,680	788,041
-	-	-	-	2,054,045	2,054,045
-	1,231,465	2,641,077	331,361	5,065,688	13,751,465
\$ 70,228	\$ 1,315,990	\$ 2,666,208	\$ 3,312,611	\$ 5,194,838	
					42,216,594
					413,564
					(119,810)
					2,531,677
					(15,040,966)
					\$ 43,752,524

Governmental Funds

Statement of Revenue, Expenditures, and changes in Fund Balances

Year Ended June 30, 2008

	General	Major Road Act 51	Local Road Act 51
Revenues			
Property taxes	\$ 6,762,907	\$ -	\$ -
Solid waste collection	-	-	-
Federal grants	2,899	-	-
State revenue	1,093,382	493,050	208,169
Component unit contributions	-	-	-
Charges for services	493,757	-	-
Fines and forfeits	77,042	-	-
Licenses and Permits	328,514	-	-
Rental income	87,830	-	-
Donations	1,200	-	-
Interest	304,549	-	-
Other revenue	275,997	-	-
	<u>9,428,077</u>	<u>493,050</u>	<u>208,169</u>
Expenditures			
Current:			
Legislative	21,199	-	-
City Manager	443,222	-	-
Assessor	183,863	-	-
Legal assistance	80,425	-	-
Clerk	170,939	-	-
Information systems	123,589	-	-
Financial administration	414,779	-	-
General operating	418,934	-	-
City building maintenance	48,051	-	-
Boards and commissions	123,208	-	-
Cultural center	314,808	-	-
Community services/recreation	401,089	-	-
Fire Department	876,030	-	-
Police department	3,057,294	-	-
Building department	464,248	-	-
Solid waste	-	-	-
Public works	453,933	434,621	614,349
Cemetery	-	-	-
Health Benefits - Retirees	464,506	-	-
Other capital improvements	-	546,762	80,071
Debt service:			
Principal	-	-	-
Interest	-	-	-
	<u>8,060,117</u>	<u>981,383</u>	<u>694,420</u>
Excess of Revenues Over (Under) Expenditures	<u>1,367,960</u>	<u>(488,333)</u>	<u>(486,251)</u>
Other Financing Sources (Uses)			
Transfers in	-	546,762	486,251
Transfers out	(1,517,642)	(58,429)	-
Total Other Financing Sources (Uses)	(1,517,642)	488,333	486,251
Net Change in Fund Balances	(149,682)	-	-
Fund Balances - Beginning of Year	2,149,598	-	-
Fund Balances - End of Year	<u>\$ 1,999,916</u>	<u>\$ -</u>	<u>\$ -</u>

The Notes to Financial Statements are an Integral Part of This Statement



Local Road Capital	Capital Improvement	Capital Planning	Budget Stabilization	Special Assessment	Other Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,050,043	\$ -	\$ -	\$ -	\$ -	\$ 1,489,954	\$ 9,302,904
-	-	-	-	-	486,442	486,442
-	-	-	-	-	80,580	83,479
-	-	-	-	-	-	1,794,601
24,221	-	-	-	-	246,170	270,391
-	-	-	-	264,287	-	758,044
-	-	-	-	-	-	77,042
-	-	-	-	-	239,212	567,726
-	-	-	-	-	-	87,830
-	-	-	-	-	200,913	202,113
72,130	-	42,252	38,381	9,785	126,087	593,184
-	-	-	-	-	16,663	292,660
1,146,394	-	42,252	38,381	274,072	2,886,021	14,516,416
-	-	-	-	-	-	21,199
-	-	-	-	-	-	443,222
-	-	-	-	-	-	183,863
-	-	-	-	-	-	80,425
-	-	-	-	-	-	170,939
-	-	-	-	-	-	123,589
-	-	-	-	-	-	414,779
-	17,614	-	-	-	17,120	453,668
-	-	-	-	-	-	48,051
-	-	-	-	-	-	123,208
-	28,728	-	-	-	-	343,536
-	89,541	-	-	-	-	490,630
-	15,042	-	-	-	-	891,072
-	86,966	-	-	-	26,945	3,171,205
-	-	-	-	-	356,453	820,701
-	-	-	-	-	505,670	505,670
-	140,113	-	-	-	258,475	1,901,491
-	2,275	-	-	-	-	2,275
-	-	-	-	-	1,341,024	1,805,530
-	-	-	-	-	-	626,833
-	-	-	-	100,000	1,295,000	1,395,000
-	-	-	-	102,815	553,208	656,023
-	380,279	-	-	202,815	4,353,895	14,672,909
1,146,394	(380,279)	42,252	38,381	71,257	(1,467,874)	(156,493)
-	380,279	537,000	1,882,891	-	29,000	3,862,183
(617,067)	-	(391,961)	-	-	(27,084)	(2,612,183)
(617,067)	380,279	145,039	1,882,891	-	1,916	1,250,000
529,327	-	187,291	1,921,272	71,257	(1,465,958)	1,093,507
1,952,631	-	1,044,174	719,805	260,104	6,531,646	12,657,958
\$ 2,481,958	-	\$ 1,231,465	\$ 2,641,077	\$ 331,361	\$ 5,065,688	\$ 13,751,465

City of Wixom, Michigan

Governmental Funds

Reconciliation of the Statement of Revenue, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities

Year Ended June 30, 2008



Amounts reported for governmental activities in the statement of activities
are different because:

Net Change in Fund Balances - Total Governmental Funds	\$ 1,093,507
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; in the statement of activities, these costs are allocated over their estimated useful lives as depreciation. This is the amount by which capital outlays exceeded depreciation in the current period.	(1,453,847)
Revenue reported in the statement of activities that does not provide current financial resources and is not reported as revenue in the governmental funds (GASB No. 33)	(116,508)
Accrued interest payable is recorded when due in governmental funds	11,645
Capital contribution - storm drains	127,400
Repayment of bond principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt)	1,395,000
Increase in accumulated employee sick and vacation pay, as well as estimated general liability claims, are recorded when earned in the statement of activities	<u>(68,983)</u>
Change in Net Assets of Governmental Activities	<u>\$ 988,215</u>

The Notes to Financial Statements are an Integral Part of This Statement

City of Wixom, Michigan
Proprietary Funds
Statement of Net Assets
June 30, 2008



	Enterprise Fund		
	Water	Sewer	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 726,921	\$ 10,543,712	\$ 11,270,633
Receivable - Net	2,467,732	299,546	2,767,278
Due from other funds	331,762	-	331,762
Inventories	55,952	110,282	166,234
Total current assets	3,582,367	10,953,540	14,535,907
Noncurrent assets:			
Restricted assets - Debt service	196,495	-	196,495
Restricted assets - Other	-	400,080	400,080
Capital assets	35,254,398	19,691,289	54,945,687
Total noncurrent assets	35,450,893	20,091,369	55,542,262
Total assets	39,033,260	31,044,909	70,078,169
Liabilities			
Current liabilities:			
Accounts payable	307,109	204,472	511,581
Accrued interest payable	82,684	-	82,684
Due to other funds	-	305,922	305,922
Current portion of long-term debt	893,314	-	893,314
Total current liabilities	1,283,107	510,394	1,793,501
Noncurrent liabilities:			
Customer's deposit	-	531,796	531,796
Long-term debt - Net of current portion	11,343,812	-	11,343,812
Total noncurrent liabilities	11,343,812	531,796	11,875,608
Total liabilities	12,626,919	1,042,190	13,669,109
Net Assets			
Investment in capital assets - Net of related debt	23,017,272	19,691,289	42,708,561
Restricted	196,495	400,080	596,575
Unrestricted	3,192,574	9,911,350	13,103,924
Total net assets	<u>\$ 26,406,341</u>	<u>\$ 30,002,719</u>	<u>\$ 56,409,060</u>

The Notes to Financial Statements are an Integral Part of This Statement

City of Wixom, Michigan

Proprietary Funds

Statement of Revenues, Expenses and Changes in Net Assets

Year Ended June 30, 2008



	Enterprise Fund		
	Water	Sewer	Total
Operating Revenues			
Water sales	\$ 2,364,079	\$ -	\$ 2,364,079
Sewage disposal	-	981,238	981,238
Other miscellaneous charges	1,799	500	2,299
Total operating revenues	2,365,878	981,738	3,347,616
Operating Expenses			
Cost of water	1,789,177	-	1,789,177
Cost of sewage disposal	-	828,393	828,393
General and administrative	234,517	257,845	492,362
Televising and cleaning	-	46,606	46,606
Depreciation	623,350	652,883	1,276,233
Total operating expenses	2,647,044	1,785,727	4,432,771
Operating Loss	(281,166)	(803,989)	(1,085,155)
Nonoperating Revenue (Expense)			
Property taxes	1,143,924	70	1,143,994
Interest income	25,004	420,669	445,673
Interest expense	(338,579)	(82,306)	(420,885)
Readiness to Serve Charge	-	1,250,000	1,250,000
Gain on sale of capital asset	144,000	-	144,000
Total nonoperating revenue (expense)	974,349	1,588,433	2,562,782
Income (Loss) - Before contributions	693,183	784,444	1,477,627
Other Financing Uses - Operating transfers out	-	(1,250,000)	(1,250,000)
Capital Contribution	(1,921)	176,565	174,644
Lines Donated by Developers	1,610,920	524,340	2,135,260
Total capital contributions	1,608,999	700,905	2,309,904
Change in Net Assets	2,302,182	235,349	2,537,531
Net Assets - Beginning of year	24,104,159	29,767,370	53,871,529
Net Assets - End of year	\$ 26,406,341	\$ 30,002,719	\$ 56,409,060

The Notes to Financial Statements are an Integral Part of This Statement

City of Wixom, Michigan
Proprietary Funds
Statement of Cash Flows
Year Ended June 30, 2008



	Water	Sewer	Total
Cash Flows from Operating Activities			
Receipts from customers	\$ 2,441,635	\$ 965,619	\$ 3,407,254
Payments to other suppliers	(1,720,359)	(222,553)	(1,942,912)
Payments to Earth Tech Operating System	(392,288)	(810,089)	(1,202,377)
Payments for inventory	(40,134)	(3,056)	(43,190)
Net cash provided by (used in) operating activities	288,854	(70,079)	218,775
Cash Flows from Noncapital Financing Activities-Internal activities			
Property taxes	1,143,924	70	1,143,994
Readiness to Serve Charge	-	1,250,000	1,250,000
Transfer to Budget Stabilization Fund	-	(1,250,000)	(1,250,000)
Payments to other funds	7,632	(25,995)	(18,363)
Net cash used in noncapital financing activities	1,151,556	(25,925)	1,125,631
Cash Flows from Capital and Related Financing Activities			
Purchase of capital assets	(96,701)	(78,725)	(175,426)
Other deposits-Escrow holdings	-	144,260	144,260
Connection fees	(1,921)	176,565	174,644
Interest paid on long-term debt	(344,459)	(89,333)	(433,792)
Principal paid on long-term debt	(873,495)	(650,000)	(1,523,495)
Net cash used in capital and related financing activities	(1,316,576)	(497,233)	(1,813,809)
Cash Flows from Investing Activities - Interest received on investments	25,004	420,669	445,673
Net Decrease in Cash and Cash Equivalents	148,838	(172,568)	(23,730)
Cash and Cash Equivalents - Beginning of year	774,578	11,116,360	11,890,938
Cash and Cash Equivalents - End of year	\$ 923,416	\$ 10,943,792	\$ 11,867,208
Balance Sheet Classification of Cash and Cash Equivalents			
Cash and investments	\$ 726,921	\$ 10,543,712	\$ 11,270,633
Restricted investments (Note 3)	196,495	400,080	596,575
Total cash and cash equivalents	\$ 923,416	\$ 10,943,792	\$ 11,867,208
Reconciliation of Operating Loss to Net Cash from Operating Activities			
Operating loss	\$ (281,166)	\$ (803,989)	\$ (1,085,155)
Adjustments to reconcile operating loss to net cash from operating activities:			
Depreciation and amortization	623,350	652,883	1,276,233
Changes in assets and liabilities:			
Receivables	75,757	(16,119)	59,638
Accounts payable	(88,953)	100,202	11,249
Inventories	(40,134)	(3,056)	(43,190)
Net cash provided by (used in) operating activities	\$ 288,854	\$ (70,079)	\$ 218,775

Noncash capital, financing and investing activities – During the year, developers donated \$1,610,920 of water lines and \$524,340 of sewer lines to the City.

The Notes to Financial Statements are an Integral Part of This Statement

City of Wixom, Michigan
Fiduciary Funds
Statement of Net Assets
June 30, 2008



	Retirees Trust Fund (Health Insurance)	Agency Fund- Trust and Agency
Assets		
Cash and cash equivalents (Note 3)	\$ 348	\$ 618,353
Investments (Note 3)	1,816,701	-
Accounts Receivable	-	34
Total Assets	1,817,049	618,387
Liabilities		
Deposits and other liabilities	-	618,387
Total liabilities	-	\$ 618,387
Net Assets - Held in trust for employee benefits	\$ 1,817,049	

The Notes to Financial Statements are an Integral Part of This Statement

City of Wixom, Michigan

Statement of Changes in Net Assets
Year Ended June 30, 2008



	<u>Total</u>
Retirees Trust Fund (Health Insurance)	
Additions-Investment Income and Contributions	
Net decrease in fair value of investments	\$ (21,487)
Retiree Insurance Contribution	49,275
Contribution - Balance of Special Revenue Fund	1,341,024
Contribution -Employer	464,506
Contribution - Wixom Public Library	<u>29,867</u>
Total additions (reductions)	1,863,185
Deductions	
Insurance Premiums	<u>46,136</u>
Net Increase	1,817,049
Net Assets Held in Trust for Retiree Health Insurance	
Beginning of Year	-
End of Year	<u><u>\$ 1,817,049</u></u>

City of Wixom, Michigan
Component Units
Statement of Net Assets
June 30, 2008



	Downtown Development Authority	Local Development Finance Authority	Totals
Assets			
Cash and investments	\$ 134,853	\$ 3,525,736	\$ 3,660,589
Accounts Receivable	5,626	-	5,626
Capital assets not being depreciated-Land (Note 5)	154,296	-	154,296
Capital assets - Net of accumulated depreciation (Note 5)	293,782	-	293,782
Total assets	588,557	3,525,736	4,114,293
Liabilities			
Accounts payable	-	8,626	8,626
Long-term debt	44,000	-	44,000
Total liabilities	44,000	8,626	52,626
Net Assets			
Investment in capital assets - Net of related debt	404,078	-	404,078
Unrestricted	140,479	3,517,110	3,657,589
Total net assets	<u>\$ 544,557</u>	<u>\$ 3,517,110</u>	<u>\$ 4,061,667</u>

The Notes to Financial Statements are an Integral Part of This Statement

City of Wixom, Michigan
Component Units
Statement of Activities
Year Ended June 30, 2008

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/Contributions	Capital Grants and Contributions
Downtown Development Authority -				
Public works	\$ 32,524	\$ -	\$ -	\$ -
Contribution to City	237,706	-	-	-
Local Development Finance Authority				
Public works	33,184	-	-	-
Total governmental activities	\$ 303,414	\$ -	\$ -	\$ -
General revenues:				
Property taxes				
Interest				
Total general revenues				
Change in Net Assets				
Net Assets - Beginning of year				
Net Assets - End of year				

The Notes to Financial Statements are an Integral Part of This Statement



Net (Expense) Revenue and Changes in Net Assets

Downtown Development Authority	Local Development Finance Authority	Total
\$ (32,524)	-	\$ (32,524)
(237,706)	-	(237,706)
-	(33,184)	(33,184)
(270,230)	(33,184)	(303,414)
254,744	-	254,744
4,734	136,237	140,971
259,478	136,237	395,715
(10,752)	103,053	92,301
555,309	3,414,057	3,969,366
\$ 544,557	\$ 3,517,110	\$ 4,061,667

Notes to Financial Statements

Note 1 - Summary of Significant Accounting Policies

The accounting policies of the City of Wixom (the “City”) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the City:

Reporting Entity

The City is governed by an elected seven-member council. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Although blended component units are legal separate entities, in substance, they are part of the government’s operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government (see discussion below for description).

Blended Component Units - The Building Authority is governed by a board that is appointed by the City Council. Although it is legally separate from the City, it is reported as if it were part of the primary government because its sole purpose is to finance and construct the City’s public buildings.

Discretely Presented Component Units - The component unit columns in the government-wide financial statements include the financial data of the City’s other component units. They are reported in separate columns to emphasize that they are legally separate from the City. The following component units are included in the reporting entity because the primary government is financially accountable and is able to impose its will on the organization. Financial statements are not issued separately for the component units for the DDA or LDFA.

- a. The Downtown Development Authority (DDA) was created to correct and prevent deterioration in the downtown district, encourage historical preservation, and to promote economic growth within the downtown district. The DDA’s governing body, which consists of 11 individuals, is selected by the City Council. In addition, the DDA’s budget is subject to approval by the City Council. The City Council approves the development plans and must approve all modifications to the plan. The City maintains all accounting records for the DDA, whose primary source of funding is from tax increment financing revenues.

Notes to Financial Statements

Note 1 - Summary of Significant Accounting Policies (Continued)

- b. The Local Development Finance Authority (LDFA) was created to provide financing for and administer the construction of improvements to roads and infrastructure within the City. The LDFA's governing body, which consists of 22 individuals, is selected by the City Council or appointed by other governmental agencies. In addition, the LDFA's budget is subject to approval by the City Council. The City maintains all accounting records for the LDFA, whose primary source of funding is from tax increment financing revenues.

Separate financial statements will issued for the City of Wixom Library beginning June 30, 2008. In prior years, the City of Wixom Library was included in the City's financial statement as a component unit of the City. On November 7, 2006, voters established a new Library (Wixom Public Library) under Public Act 164, section 10a. The new Library has a six member Library Board independent from the City. The City will continue to maintain all accounting records for the Library.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenue.

Notes to Financial Statements

Note 1 - Summary of Significant Accounting Policies (Continued)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual Enterprise Funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency funds have no measurement focus on the government wide financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

Revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become both measurable and available to finance expenditures of the fiscal period. Measurable means the amount of the transaction can be determined and available means collectible within the 60-day period.

On the governmental funds statements, major sources of revenue considered susceptible to accrual are State-shared revenues, community development block grants, federal and State grants, Act 51 revenues, and interest associated with the current fiscal period, and all are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be available only when cash is received by the government.

Notes to Financial Statements

Note 1 - Summary of Significant Accounting Policies (Continued)

The government reports the following major governmental funds:

General Fund - The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Major Road Act 51 Fund - The Major Road Fund accounts for the repairs, maintenance, and construction of all the City's major streets. The revenues consist of State-shared gasoline and weight tax collections under provisions of Act 51 of 1951 as amended and contributions from the Major Road Capital Program Fund and Local Road Capital Fund.

Local Road Act 51 Fund - The Local Road Fund accounts for the repairs, maintenance, and construction of all the City's major streets. The revenues consist of State-shared gasoline and weight tax collections under provisions of Act 51 of 1951 as amended and contributions from the Local Road Capital Fund and the Safety Bike Path Fund.

Local Road Capital Fund - The Local Road Capital Fund accounts for the repairs, maintenance, and construction of the City's local and major streets and assists in the funding of the Local Road Fund and Major Road Fund. The revenues consist of a special 15-year tax levy, federal, State and county grants, State-shared gasoline and weight tax collections, and investment earnings.

Capital Improvement Fund - The Capital Improvement Fund includes expenditures for building, land, major equipment, and other commodities which are of significant value and have a useful life of several years. Capital improvement programming and budgeting involves the development of a long-term plan for capital expenditures of the City.

The capital improvement program lists each proposed capital item to be undertaken, the year in which it will be started, the amount expected to be expended in each year and the proposed method of financing these expenditures. Based on these details, summaries of capital activity in each year can be prepared as well as summaries of financial requirements, such as amounts of general obligations bonds to be issued, amounts from general operating funds required, etc.

Capital Planning Fund - The Capital Planning Fund is the mechanism to fund and support the Capital Improvement Fund's 5 year capital plan. During the budget process each Department provides a five year projection of capital improvement expenditures. The Capital Planning Fund is used to even out the funding needs for these expenditures over a five year period as planned.

Notes to Financial Statements

Note 1 - Summary of Significant Accounting Policies (Continued)

Budget Stabilization - The Special Agency Fund was established along with the 5 year Financial Action Plan assist the City in times when instability occurs in the business cycle or unanticipated events/unexpected emergencies occur which cause a significant downturn in revenues. This can be measured by the magnitude and duration of the revenue shortfall. The Budget Stabilization Fund can be used instead of the City borrowing, increasing taxes, or significantly reducing expenditures. Since cities are constrained by the State law in their ability to borrow, it often leaves only the alternatives of increased taxes and/or significant decreases in spending.

Special Assessment Fund - This fund was established to account for the payment of annual principal and interest on \$2,830,000 of bonds for the construction and improvements for the Tribute Drain which is part of the DDA/VCA Development Project Fund. The Village Center Area District is intended to allow for the development of a fully integrated, mixed use, pedestrian oriented Village Center Area (VCA). These annual requirements are met from annual special assessments to specific property owners.

The government reports the following major proprietary funds:

Water Fund - The Water Fund accounts for the operation and maintenance of the water supply system, capital additions, and retirement of revenue bonds. Financing is provided by user charges and contributions by other funds.

Sewer Fund - The Sewer Fund accounts for the operation and maintenance of the sewage disposal system, capital additions and improvements, and retirement of revenue bonds. Financing is provided by user charges and contributions by other funds and municipalities.

Additionally, the government reports the following fund types:

Agency Fund - The Agency Fund, a fiduciary fund, accounts for the collection and payment to Oakland County, various school districts, and other taxing authorities of property taxes collected by the City on their behalf. This fund also accounts for assets held by the City as an agent for individuals, private organizations, or other governments. Fiduciary Funds are by nature custodial; therefore, operation results are not measured. Fiduciary funds are excluded from the government wide statements.

Retirees Trust Fund (Health Insurance) - The Retirees Trust Fund accounts for medical benefits provided to retirees. This is a medical trust that permits the City to invest assets to offset their future retiree health insurance liability. This fund was created in response to standards that were formulated by the Governmental Accounting Standards Board (GASB) for Post-Employment Benefits (also known as GASB 43 & 45 or GASB OPEB).

Notes to Financial Statements

Note 1 - Summary of Significant Accounting Policies (Continued)

Private-sector standards of accounting issued prior to December 1, 1989 are generally followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with the standards of the Governmental Accounting Standards Board. The government has elected not to follow private-sector standards issued after November 30, 1989 for its business-type activities.

These financial statements which compile the individual component units can be obtained from the City's office at the following address:

City of Wixom
City Clerk
49045 Pontiac Trail
Wixom, Michigan 48393

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's water and sewer function and various other functions of the government. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenue include: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenue includes all taxes.

Proprietary funds distinguish operating revenue and expenses from non-operating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of our proprietary funds relate to charges to customers for sales and services. The Water and Sewer Fund also recognizes the portion of tap fees intended to recover current costs (e.g., labor and materials to hook up new customers) as operating revenue. The portion intended to recover the cost of the infrastructure is recognized as non-operating revenue. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenue and expenses.

Notes to Financial Statements

Note 1 - Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Net Assets or Equity

Bank Deposits and Investments - Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value. Pooled investment income from the Agency Fund is generally allocated to the General Fund.

Receivables and Payables - In general, outstanding balances between funds are reported as “due to/from other funds.” Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as “advances to/from other funds.” Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.”

All trade and property tax receivables are shown as net of allowance for uncollectible amounts. Property taxes are levied on each July 1 on the taxable valuation of property as of the preceding December 31. Taxes are considered delinquent on March 1 of the following year, at which time additional penalties and interest are assessed.

Property Taxes – Property taxes are levied on each July 1 on the taxable valuation of property as of the preceding December 31. Taxes are due on August 31 for summer taxes and February 14 for winter taxes, with the final collection date of February 28 before they are added to the delinquent county tax rolls.

The 2007 taxable valuation of the City total \$925,989,450 Ad Valorem and \$30,527,070 Industrial Facilities Tax. The table below shows the breakdown of millage and taxes collected for the different funds.

Description	Type	Mills	Taxes Collected
General Fund	Operating	6.7320	\$6,762,907
Local Road Program	Operating	1.1314	1,050,043
Major Road Program	Debt Service	0.9400	888,246
Civic Center	Debt Service	0.3600	337,555
Water Debt	Debt Service	1.2130	1,143,924
DPW & Fire Capital Fund	Debt Service	0.2800	264,006
Total		10.6564	\$10,446,681

These amounts are recognized in the respective General Fund, Special Revenue Fund, and Debt Service Fund financial statements as taxes receivable or as tax revenue.

Notes to Financial Statements

Note 1 - Summary of Significant Accounting Policies (Continued)

Inventories and Prepaid Items - Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed due to their immaterial amount. Inventories of proprietary funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. In general, capital assets are defined by the government as assets with an initial individual cost of more than \$500 and an estimated useful life in excess of one year. Exceptions due to the nature of the capital asset may require that the capital asset be recorded for City purposes. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. In the case of infrastructure and assets purchased or constructed prior to June 30, 2003, estimated historical cost was used where actual cost information was not available. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially affect the asset life are not capitalized. Major outlays for capital assets are capitalized as projects are constructed. Interest incurred during the construction of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. During the current year, no such interest expense was capitalized as part of the cost of assets under construction.

Depreciation of capital assets used by the City is charged as an expense against its various functions. Depreciation is computed using the straight-line method over the following useful lives:

Roads, sidewalks, and bike paths	20 to 30 years
Water and sewer distribution systems	50 to 75 years
Water and sewer treatment facilities	40 to 50 years
Buildings and building improvements	40 to 50 years
Vehicles	3 to 5 years
Office furnishings	5 to 7 years
Other tools and equipment	3 to 7 years
Books and Periodicals	10 years
Stormwater Improvements	30 years

Notes to Financial Statements

Note 1 - Summary of Significant Accounting Policies (Continued)

Compensated Absences (Vacation, Compensatory Time Off, and Sick Leave) - It is the government's policy to permit employees to accumulate earned but unused sick, vacation pay benefits, and compensatory time. Vacation pay is fully vested when earned, and sick pay is conditionally vested upon completion of certain number of years of service. Upon retirement, employees are paid accumulated vacation and 35% of unused sick days at their hourly rate as of their retirement date. A liability for the entire amount, current and long-term, is accrued in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year end.

Fund Equity - In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Long-term Obligations - In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make significant estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Notes to Financial Statements

Note 2 - Stewardship, Compliance, and Accountability

Excess of Expenditures Over Appropriations in Budgeted Funds - During the year, the City incurred expenditures that were in excess of the amounts budgeted, as follows:

Budget Item	Budget	Actual
Major Road Act 51 Fund		
Traffic Service	\$ 44,097	\$ 46,013
Local Road Act 51 Fund		
Routine Maintenance	\$ 346,900	\$ 351,196
Traffic Service	\$ 43,500	\$ 45,499
Community Block Grant Fund		
CDBG Expenditures	\$ 73,371	\$ 109,580

Fund Deficits - At June 30, 2008, the City had no deficits in any of the funds of the City.

Compliance with the Single Audit Act Amendments of 1996 - After examination by the City's independent auditors, a compliance audit in accordance with the Single Audit Act was not necessary since the City did not meet the threshold requirement.

Construction Code Fees - The City oversees building construction in accordance with the State's Construction Code Act, including inspection of building construction and renovation to ensure compliance with the building codes. The City charges fees for these services. The law requires that collection of these fees be used only for construction code costs, including an allocation of estimated overhead costs. Since direct costs exceed building permit revenue, it was not necessary to calculate and allocate indirect costs. A summary of the current year and the cumulative shortfall generated since January 1, 2000 is as follows:

Notes to Financial Statements

Note 2 - Stewardship, Compliance, and Accountability (Continued)

Shortfall at July 1, 2007	\$ (1,053,353)
Building permit revenue	261,920
Related expenses:	
Direct costs	\$ 532,104
Estimated indirect costs	<u>-</u>
Total construction code expenses	<u>532,104</u>
Cumulative shortfall at June 30, 2008	<u>\$ (1,323,537)</u>

Note 3 - Deposits and Investments

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications, which matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The City has designated four banks for the deposit of its funds. The investment policy adopted by the Board in accordance with Public Act 196 of 1997 has authorized investment in all of the items described above. The City of Wixom's deposits and investment policies are in accordance with statutory authority.

The Retiree Health Care Benefits Fund is also authorized by Michigan Public Act 149 of 1999, as amended, to invest in certain reverse repurchase agreements, stocks, diversified investment companies, annuity investment contracts, real estate leased to public entities, mortgages, real estate (if the trust fund's assets exceed \$250 million), debt or equity of certain small businesses, certain state and local government obligations, and certain other specified investment vehicles

The City's cash and investments are subject to several types of risk, which are examined in more detail below:

Notes to Financial Statements

Note 3 - Deposits and Investments (Continued)

Custodial Credit Risk of Bank Deposits - Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. At year end, the City had \$270,276 of bank deposits (certificates of deposit, checking and savings accounts) that were uninsured and uncollateralized. The City believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the City evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories. The component units do not have bank deposits.

Interest Rate Risk - Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The City's investment policy does not restrict investment maturities, other than commercial paper which can be purchased with a 270 day maturity. The City does not currently own any investments subject to interest rate risk.

Custodial Credit Risk of Investments - Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have a policy for custodial credit risk. At year end, the City had no investment securities which were uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the City's name.

Credit Risk - State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The City's investment policy states that the City will minimize credit risk by limiting investments to the safest types of securities, pre-qualifying the financial institutions, brokers, intermediaries and advisers with which the City will do business, and diversifying the investment portfolio so that potential losses on individual securities will be minimized. As of year end, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

Notes to Financial Statements

Note 3 - Deposits and Investments (Continued)

Investment	Fair Value	Rating	Rating Organization
Comerica–Governmental Pooled Investment Fund, (Pool is not rated separately, individual investment ratings)	9,135,925	Gov Securities AAA, Aaa Commercial Paper P1, A1 or higher	S&P, Moody's
Chase Governmental Fund	7,009,463	Aaa	Moody's
Bank of America-Mutual Fund, Fidelity	8,300,153	AAA, Aaa	S&P, Moody's
Municipal Employees Retirement System (MERS)	1,816,700	See Below	See Below
Investment (Component Units)	Fair Value	Rating	Rating Organization
Comerica–Governmental Pooled Investment Fund, (Pool is not rated separately, individual investment ratings)	3,609,402	Gov Securities AAA, Aaa Commercial Paper P1, A1 or higher	S&P, Moody's
Bank of America-Mutual Fund, Fidelity	51,187	AAA, Aaa	S&P, Moody's

The City has invested their Retiree Health Insurance funds in the MERS Health Investment Funding Vehicle account. This investment is held in a medical trust that permits the City to save and grow assets within the MERS Total Market Fund. This investment choice was utilized to help offset the rising cost of retiree health care.

The MERS Total Market Fund Portfolio attempts to limit market volatility while achieving a reasonable growth and rate of return. The City is attempting over the long term to obtain an annual rate of return to equal or exceed the actuarial assumption rate of 8%. The portfolio has returned 8.2% over the trailing 10-year period as of June 30, 2008. Type of Investment Portfolio – 33% Domestic Equity, 17% International Equity, 31% Fixed Income, 10% Private Equity, 7% Real Estate, Commodities 0%, and 3% Cash.

MERS Total Market Fund Portfolio is managed and monitored by professional investment personnel under the authority of the MERS Retirement Board. Prospective portfolio managers must successfully complete MERS manager screening process prior to final Board selection. The portfolio offers diversified exposure to all major investment asset classes within established and prudent risk parameters. The primary investment objective is to maximize the long-term total rate return on investments with a high degree of prudence and sufficient diversification to eliminate inordinate risk. The portfolio is managed in conformance with the Michigan Public Employee Retirement Systems Investment Act, 1965 PA 314, as amended. In addition, the Retirement Board has established Investment Guidelines that are updated annually.

Notes to Financial Statements

Note 3 - Deposits and Investments (Continued)

These guidelines communicate the long-term objectives, goals and performance expectations to the staff, investment managers, consultants and other interested parties. Every effort is made to minimize the costs to the portfolio with the use of skilled internal and external resources without adversely impacting the performance.

Concentration of Credit Risk - The City places no limit on the amount they may invest in any one issuer. More than 5 percent of the City's investments are in Comerica, Chase and Bank of America. These investments are 93 percent of the City's total investments.

Note 4 - Receivables

Receivables as of year end for the City's individual major funds and the non-major, Debt Service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Major Road Fund	Local Road Fund	Special Assessment	Nonmajor and Other Funds	Total	Governmental Activities
Receivables:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 283,684
Accounts	35,999	-	-	-	-	35,999	186,615
Intergovernmental	390	80,766	34,111	-	-	115,267	-
Grants and other	-	-	-	-	54,550	54,550	-
Special Assessment	-	-	-	2,981,250	-	2,981,250	-
Less allowance for uncollectibles	-	-	-	-	-	-	(56,736)
Net receivables	<u>\$ 36,389</u>	<u>\$ 80,766</u>	<u>\$ 34,111</u>	<u>\$ 2,981,250</u>	<u>\$ 54,550</u>	<u>\$ 3,187,066</u>	<u>\$ 413,563</u>

Governmental funds report deferred revenue in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of deferred revenue are as follows:

	Unavailable	Unearned
Special Assessment - Deferred	<u>2,531,677</u>	<u>449,573</u>
Total	<u>\$ 2,531,677</u>	<u>\$ 449,573</u>

Notes to Financial Statements

Note 5 - Capital Assets

Capital asset activity of the primary government's governmental and business-type activities was as follows:

	Balance July 1, 2007	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2008
Governmental Activities					
Capital assets not being depreciated:					
Land	\$ 4,848,235	\$ -	\$ -	\$ -	\$ 4,848,235
Subtotal	4,848,235	-	-	-	4,848,235
Capital assets being depreciated:					
Roads and sidewalks	53,611,008	-	824,908	-	54,435,916
Buildings and improvements	12,113,240	-	22,686	-	12,135,926
Buildings and impr. - DDA/VCA	5,081,764	-	-	-	5,081,764
Vehicles	3,505,089	-	190,360	(61,282)	3,634,167
Office furnishings	776,703	-	-	-	776,703
Stormwater	324,942	-	127,400	-	452,342
Other tools and equipment	3,744,689	-	182,392	(13,547)	3,913,534
Subtotal	79,157,435	-	1,347,746	(74,829)	80,430,352
Accumulated depreciation:					
Roads, sidewalks, and bike paths	31,083,863	-	1,673,657	-	32,757,520
Buildings and improvements	4,023,532	-	330,252	-	4,353,784
Buildings and impr. - DDA/VCA	169,768	-	101,635	-	271,403
Vehicles	2,163,379	-	301,508	(61,282)	2,403,605
Office furnishings	659,084	-	24,408	-	683,492
Stormwater	23,373	-	7,795	-	31,168
Other tools and equipment	2,339,630	-	234,938	(13,547)	2,561,021
Subtotal	40,462,629	-	2,674,193	(74,829)	43,061,993
Net capital assets being depreciated	38,694,806	-	(1,326,447)	-	37,368,359
Net capital assets	\$ 43,543,041	\$ -	\$ (1,326,447)	\$ -	\$ 42,216,594

Notes to Financial Statements

Note 5 - Capital Assets (Continued)

Component Units	Balance July 1, 2007	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2008
Capital assets not being depreciated:					
Land - DDA	\$ 154,296	\$ -	\$ -	\$ -	\$ 154,296
Subtotal	154,296	-	-	-	154,296
Buildings and improvements - DDA	499,892	-	-	-	499,892
Other tools and equipment - DDA	60,913	-	-	-	60,913
Subtotal	560,805	-	-	-	560,805
Accumulated depreciation:					
Buildings and improvements - DDA	172,291	13,851	22,749	-	208,891
Other tools and equipment - DDA	69,512	(13,851)	2,471	-	58,132
Subtotal	241,803	-	25,220	-	267,023
Net capital assets being depreciated	319,002	-	(25,220)	-	293,782
Net capital assets	\$ 473,298	-	\$ (25,220)	-	\$ 448,078

Notes to Financial Statements

Note 5 - Capital Assets (Continued)

The \$1,800,000 adjustment represents a refund received from the City of Detroit related to the cost of installing the original system for the City of Wixom. As such, it is a reduction of the historical cost of the capital asset.

	Balance July 1, 2007	Reclassifications	Additions	Disposals and Adjustments	Balance June 30, 2008
Business-type Activities					
Capital assets being depreciated:					
Water and sewer distribution systems	\$ 49,743,866	\$ -	2,263,482	\$ (1,800,000)	\$ 50,207,347
Buildings and building improvements	19,829,656	-	2,555	-	19,832,211
Office furnishings	67,444	-	-	-	67,444
Other tools and equipment	1,661,875	-	44,648	-	1,706,523
Subtotal	71,302,841	-	2,310,686	(1,800,000)	71,813,526
Accumulated depreciation:					
Water and sewer distribution systems	8,160,806	-	802,996	(144,000)	8,819,801
Buildings and building improvements	6,185,703	-	421,747	-	6,607,450
Office furnishings	67,444	-	-	-	67,444
Other tools and equipment	1,321,654	-	51,490	-	1,373,144
Subtotal	15,735,607	-	1,276,233	(144,000)	16,867,839
Net capital assets being depreciated	55,567,234	-	1,034,453	(1,656,000)	54,945,687
Net capital assets	\$ 55,567,234	\$ -	\$ 1,034,453	\$ (1,656,000)	\$ 54,945,687

Notes to Financial Statements

Note 5 - Capital Assets (Continued)

Depreciation expense was charged to programs as follows:

Governmental activities:	
General government	\$ 243,797
Community Development	101,635
Public safety	326,860
Public works	252,915
Public works (Roads, sidewalks, and bike paths)	1,667,622
Recreation, culture, and educational	<u>81,363</u>
Total governmental activities	<u>\$ 2,674,193</u>
Business-type activities:	
Water	\$ 623,350
Sewer	<u>652,883</u>
Total business-type activities	<u>\$ 1,276,233</u>
Component units activities:	
DDA	<u>\$ 25,220</u>
Total component units activities	<u>\$ 25,220</u>

Notes to Financial Statements

Note 5 - Capital Assets (Continued)

Construction Commitments - The City has active construction projects at year end. The projects include the improvements to the 12 Mile and Grand River and West Maple Road as major road projects. At year end, the City of Wixom's commitments with contractors are as follows:

	Spent to Date	Remaining Commitment
Street project	\$ 1,216,986	\$ 987
Sewer Projects	182,740	-
Total	<u>\$ 1,399,726</u>	<u>\$ 987</u>

Note 6 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances is as follows:

Receivable Fund	Payable Fund	Amount
Due to/from other funds:		
General Fund	Sewer Fund	\$ 305,922
	Capital Planning Fund	84,525
	Major Act 51 Fund	80,766
	Local Act 51 Fund	34,111
	Budget Stabilization	25,131
	Other governmental funds	4,720
Special Agency	General Fund	1,248,986
Community Development Block Grant	General Fund	12,842
Local Street Capital Program Fund	General Fund	11,307
Capital Improvement Fund	General Fund	70,228
Other funds	General Fund	<u>6,590</u>
Total governmental activities		1,885,128
Water Fund	General Fund	<u>331,762</u>
Total		<u>\$2,216,890</u>

These balances result from the time lag between the dates that goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made. A cash clearing account is utilized to process biweekly check cutting, and expenditures are charged to the appropriate accounts, which also records and balances automatically the Due To/Due From transactions.

Notes to Financial Statements

Note 6 - Interfund Receivables, Payables, and Transfers (Continued)

Interfund Transfers:

<u>Fund Transferred From</u>	<u>Fund Transferred To</u>	<u>Amount</u>
General Fund	Capital Planning Fund	\$ 537,000
	Budget Stabilization Fund	632,891
	Local Road Act 51 Fund	347,751
	Retirees	-
	Capital Improvement Fund	-
Major Road Act 51 Fund	Local Road Act 51 Fund	58,429
Local Road Capital Fund	Major Road Act 51 Fund	536,996
	Local Road Act 51 Fund	80,071
	Major Road Capital Fund	-
Capital Planning Fund	Capital Improvement Fund	362,961
	Community Development Block Grant Fund	29,000
Major Road Capital Fund	Major Road Act 51 Fund	9,767
Special Agency	Capital Improvement Fund	15,042
Cemetery Fund	Capital Improvement Fund	2,275
Wastewater Fund	Budget Stabilization Fund	1,250,000
Total		<u>\$ 3,862,183</u>

Transfers between the various funds represent payment from one fund to another without an equivalent return of goods or services to fund operations and projects accounted for in the respective funds. Certain transfers, such as the transfers related to Major Road Act 51 and Local Road Act 51, are transfers stipulated by State of Michigan law. Transfers from the Capital Planning Fund to the Capital Improvement Fund provide for capital improvements in various areas as stipulated in the City's five-year capital improvement plan. In accordance with the five year financial plan the General Fund transferred to the Budget Stabilization Fund \$632,891. The Wastewater Fund transferred to Budget Stabilization was stipulated by City Council resolution. This represented a transfer of surplus funds, in accordance with the Revenue Bond Act.

Notes to Financial Statements

Note 7 - Long-term Debt

The government issues bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. Revenue bonds involve a pledge of specific income derived from the acquired or constructed assets to pay debt service. The Special Assessment Tribute Drain Bonds are issued by Oakland County.

Long-term obligation activity can be summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities - General obligation bonds:					
Civic Center bonds	\$ 885,000	\$ -	\$ 435,000	\$ 450,000	\$ 450,000
Major Road Series I bonds	2,530,000	-	205,000	2,325,000	225,000
Major Road Series II bonds	2,075,000	-	475,000	1,600,000	500,000
DPW & Fire Construction bonds	1,925,000	-	180,000	1,745,000	200,000
DDA/VCA Development bonds	5,750,000	-	-	5,750,000	90,000
Total governmental activities	13,165,000	-	1,295,000	11,870,000	1,465,000
Contractual Obligation with Oakland County					
Special Assessment-Tribute Drain	2,655,000	-	100,000	2,555,000	100,000
Total governmental activities	<u>\$ 15,820,000</u>	<u>\$ -</u>	<u>\$ 1,395,000</u>	<u>\$ 14,425,000</u>	<u>\$ 1,565,000</u>
Business-type activities:					
General obligation bonds:					
Water SRF Series 1 bonds	\$ 2,572,290	\$ -	\$ 173,495	\$ 2,398,795	\$ 178,314
Water SRF Series 2 bonds	4,360,000	-	290,000	4,070,000	290,000
Water SRF Series 3 bonds	5,108,331	-	340,000	4,768,331	345,000
Water Series 4 bonds	1,070,000	-	70,000	1,000,000	80,000
Subtotal	13,110,621	-	873,495	12,237,126	893,314
Revenue bond - Wastewater bonds	710,000	-	710,000	-	-
Less unamortized bond discount and deferral on loss on advanced refunding	(60,000)	60,000	-	-	-
Total business-type activities	<u>\$ 13,760,621</u>	<u>\$ 60,000</u>	<u>\$ 1,583,495</u>	<u>\$ 12,237,126</u>	<u>\$ 893,314</u>
Component unit activities - DDA obligation	44,000	-	-	44,000	-
Total component unit activities	<u>\$ 44,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,000</u>	<u>\$ -</u>

Notes to Financial Statements

Note 7 - Long-term Debt (Continued)

Total compensated absence balances increased from \$546,983 to \$615,966 with a net change of \$68,983 for the fiscal year. Typically, the General Fund's resources are used to liquidate the liability for compensated absences. It is estimated that approximately the same compensated absences will be used in Fiscal Year 2008-2009 as shown below in the taken row.

Governmental	Vacation	Sick Time	Comp Time	Total
Beginning Bal	337,223	135,086	74,674	546,983
Earned	205,071	166,338	73,235	444,644
Taken	(189,129)	(103,741)	(73,183)	(366,053)
Adjustment	(897)	-	-	(897)
Available	37,331	(48,879)	2,837	(8,711)
Ending Balance	389,598	148,804	77,563	615,966

General obligation bonds - The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the government.

Revenue bonds - The City and its discretely presented component units also issue bonds where the income derived from the acquired or constructed assets is pledged to pay debt service. Some additional detail for each issue such as original amount of the debt issue, ranges of interest rates, ranges of principal maturities and other information are shown below.

	Original Amount of Debt Issue	Year Issue	Maturing Through Date	Interest Rate Range	Principal Maturity Ranges	Range of Installments	Refinanced Bonds Y/N
Governmental activities - General obligation bonds:							
Civic Center bonds	5,400,000	November-90	May-09	4.60% to 9.00%	\$25,000 to \$455,000	\$166,979 to \$659,676	Y-2001
Major Road Series I bonds	2,420,000	February-96	May-11	4.00% to 6.00%	\$155,000 to \$625,000	\$375,556 to \$654,688	Y-2004
Major Road Series II bonds	3,650,000	December-97	May-14	4.75% to 4.85%	\$100,000 to \$550,000	\$72,950 to \$629,476	Y-2004
DPW & Fire Construction bonds	2,615,000	January-00	November-14	5.00% to 5.10%	\$70,000 to \$275,000	\$187,701 to \$308,705	N
Major Road Refunding 2004 bonds	2,950,000	September-04	May-11	3.00% to 3.50%	\$425,000 to \$565,000	\$54,568 to \$574,888	N
DDA/VCA Development Bonds (Limited)	5,750,000	March-05	May-27	2.60% to 4.15%	\$90,000 to \$450,000	\$230,010 to \$509,699	N
Contractual Obligation with Oakland County							
Special Assessment-Tribute Drain	2,830,000	September-05	April-25	3.00% to 4.40%	\$75,000 to \$200,000	\$128,895 to \$221,853	N
Business-type activities:							
General obligation bonds:							
Water SRF Series 1 bonds	3,895,000	September-98	October-19	2.50%	\$150,000 to \$245,000	\$30,129 to \$250,188	N
Water SRF Series 2 bonds	6,180,000	April-99	October-19	2.50%	\$240,000 to \$390,000	\$122,135 to \$397,375	N
Water SRF Series 3 bonds	7,290,000	March-00	October-19	2.50%	\$305,000 to \$475,000	\$41,393 to \$484,313	N
Water Series 4 bonds	1,335,000	December-01	April-20	4.90% to 5.15%	\$20,000 to \$85,000	\$89,378 to \$129,808	N

Notes to Financial Statements

Note 7 - Long-term Debt (Continued)

Annual debt service requirements to maturity for the above governmental bond and note obligations are as follows:

Years Ending June 30	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2009	1,565,000	598,183	2,163,183	893,314	330,121	1,223,435
2010	1,205,000	535,023	1,740,023	913,134	305,013	1,218,147
2011	1,315,000	488,045	1,803,045	937,953	279,281	1,217,234
2012	1,120,000	434,256	1,554,256	962,772	252,923	1,215,695
2013	1,160,000	382,439	1,542,439	987,592	226,004	1,213,596
2014-2018	3,140,000	1,314,116	4,454,116	5,305,066	702,097	6,007,163
2019-2023	2,725,000	799,851	3,524,851	2,237,295	68,322	2,305,617
2024-2028	2,195,000	211,611	2,406,611	-	-	-
Total	\$ 14,425,000	\$ 4,763,524	\$ 19,188,524	\$ 12,237,126	\$ 2,163,761	\$ 14,400,887

Defeased Debt - During 2001, the City defeased certain Civic Center Improvement Bonds by placing surplus cash in an irrevocable trust to provide for all future debt service payments on the old bond. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the general purpose financial statements. At June 30, 2008, \$500,000 of Civic Center Improvement Bonds outstanding are considered defeased.

During 2005, the City defeased certain Major Road general obligation bonds by placing the proceeds of new refunding bonds in an irrevocable trust to provide for all future debt service payments on the old bond. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the basic financial statements. At June 30, 2008, \$1,700,000 of Major Road Bonds - Series II outstanding are considered defeased.

No Commitment Debt - Excluded from the General Long-term Debt are bonds issued under the Industrial Development Revenue Bond Act of 1963, as amended, which authorizes municipalities to acquire and lease industrial sites, buildings, and equipment. Also excluded are revenue bonds issued by the Economic Development Corporation to acquire and lease property to third parties. The revenue bonds issued are payable solely from the net revenue derived from the respective leases and are not a general obligation of the City. After these bonds are issued, all financial activity is taken over by the paying agent. The bonds and related lease contracts are not reflected in the City's financial statements.

Notes to Financial Statements

Note 8 - Restricted Assets

The balances of the restricted asset accounts are as follows:

	<u>Business- type Activities</u>
Customer and other deposits	\$ 400,080
Revenue bond restrictions - Bond reserve and redemption	<u>196,495</u>
Total restricted assets	<u>\$ 596,575</u>

Note 9 - Risk Management

The City is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The City has purchased commercial insurance for employee health benefits claims, participates in the Michigan Municipal Risk Management Authority risk pool for claims relating to property loss, torts, and errors and omissions, and participates in the Michigan Municipal League (risk pool) for claims relating to workers' compensation. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The Michigan Municipal League risk pool program operates as a common risk-sharing management program for local units of government in Michigan; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts.

The Michigan Municipal Risk Management Authority's State Pool program operates as a common risk-sharing management program for local units of government in Michigan; member premiums are used to purchase excess insurance coverage and to pay member claims in excess of deductible amounts. A portion of the excess insurance coverage is underwritten by the Authority itself.

Notes to Financial Statements

Note 10 - Defined Benefit Pension Plan and Postretirement Benefits

Plan Description - The City participates in the Municipal Employees' Retirement System of Michigan (MERS), an agent multiple-employer defined benefit pension plan that covers substantially all full-time employees of the City. The MERS provides retirement, disability, and death benefits to plan members and their beneficiaries. The MERS issues a publicly available financial report that includes financial statements and required supplementary information for the MERS. The report may be obtained by writing to the MERS at 1134 Municipal Way, Lansing, MI 48917.

Funding Policy - The obligation to contribute to and maintain the MERS for these employees was established by negotiation with the City's collective bargaining units and requires a contribution from the employees ranging from 0 percent to 3.7 percent.

Annual Pension Costs - For the year ended June 30, 2008, the City's annual pension cost of \$712,551 for the plan was equal to the required and actual contribution. The annual required contribution was determined as part of an actuarial valuation at December 31, 2005, using the entry actual age cost method. Significant actuarial assumptions used include: (i) an 8 percent investment rate of return; (ii) projected salary increases of 4.50 percent per year; and (iii) 2.50 percent per year cost of living adjustments. Both (i) and (ii) are determined using techniques that smooth the effects of short-term volatility over a four-year period. The unfunded actuarial liability is being amortized as a level percent of payroll on a closed basis. The remaining amortization period is 30 years.

Notes to Financial Statements

Note 10 - Defined Benefit Pension Plan and Postretirement Benefits (Continued)

Three-year trend information is as follows:

	Fiscal Year Ended June 30		
	2006	2007	2008
General Employees' Retirement System:			
Annual pension costs (APC)	\$ 678,564	\$ 686,304	\$ 712,551
Percentage of APC contributed	100%	100%	100%
Net pension obligation	\$ -	\$ -	\$ -
	Actuarial Valuation as of December 31		
	2005	2006	2007
Actuarial value of assets	\$ 10,437,968	\$ 11,646,321	\$ 12,830,099
Actuarial accrued liability (AAL) (entry actual age)	\$ 16,236,119	\$ 17,409,921	\$ 18,919,842
Unfunded AAL (UAAL)	\$ 5,798,151	\$ 5,763,600	\$ 6,089,743
Funded ratio	64%	67%	68%
Covered payroll	\$ 3,414,203	\$ 3,357,843	\$ 3,472,285

Deferred Compensation Plan

The City offers an employee-only contributing deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all permanent City employees, permits each employee to defer a portion of their salary until future years. The deferred compensation is not available for distribution to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan with VALIC or ICMA, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights, are held in trust, for the exclusive benefit of the plan participants and their beneficiaries. The assets shall not be diverted for any other purpose. All provisions of the plan and trust are in conformance with Internal Revenue Code Section 457.

The plan's funds are excluded from the financial statements in conformance with the reporting and disclosure requirements in GASB Statement Number 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*.

Notes to Financial Statements

Note 11 - Other Postemployment Benefits

Plan description: The City provides retiree health care benefits to eligible employees and their spouses. Currently, the plan has 61 members (including employees in active service, terminated employees not yet receiving benefits, and retired employees and beneficiaries currently receiving benefits).

This is a single employer defined benefit plan administered by the Municipal Employees Retirement System (MERS). The benefits are provided under collective bargaining agreements or Executive Directives approved by City Council. The plan does not issue a separate stand-alone financial statement. Administrative costs are paid by the Plan through employer contributions.

Funding policy: The collective bargaining agreements require a contribution of 1% of payroll from employees. Retiree health care costs are recognized when paid by the City on a “pay-as-you-go” basis. The City has no obligation to make contributions in advance of when the insurance premiums are due for payment. In the current year, the City paid post-employment health care premiums of \$46,136 plus it contributed \$1,835,397 into a prefunded retiree health care fund, which is reported in this financial statement as a Pension and Other employee Benefit Trust Fund type. The funding progress of the plan as of the most recent valuation date is as follows:

Valuation a of December 31, 2005	Total
Actuarial value of assets	\$ 600,000
Actuarial accrued liability	\$ 6,343,242
Unfunded AAL	\$ 5,743,242
Funded ratio	9.5%
Annual covered payroll	\$ 3,502,708
Ratio of UAAL to covered payroll	164%

Actuarial methods and assumptions: Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Notes to Financial Statements

Note 11 - Other Postemployment Benefits (Continued)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2005, actuarial valuation, the entry age actuarial cost method was used, with 30-year amortization of unfunded accrued liabilities. The actuarial assumptions included a 8 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 10 percent initially, reduced by decrements to an ultimate rate of 4.5 percent after ten years. Both rates included a 4.5 percent inflation assumption. The actuarial value of assets was determined using current investment value held as of June 30, 2005. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2005, was thirty years.

Note 12 – Restricted Net Assets

Net assets have been restricted for the following purposes:

Restricted for	Total Governmental Activities	Total Business- Type Activities
Maintenance/improvements for local roads	\$ 2,481,958	-
Public improvements for major roads	877,982	-
Public improvements for Bike Paths	1,814	-
Restricted for Special Agency Funds	1,239,421	-
Restricted for Debt Service	755,477	196,495
Restricted for escrow holdings	-	400,080
Police Forfeiture Fund	12,657	-
DPW & Fire Building Construction	13,971	-
DDA/VCA Development Project	1,162,093	-
Total	\$ 6,545,373	\$ 596,575

Notes to Financial Statements

Note 13 - Regional Authority Cooperative Ventures

The City is a member of the Western Oakland County Cable Communication Authority (the "Authority"), a cooperative venture of western Oakland County communities. The City appoints one member to the Authority's governing board, which then approves the annual budget. The Authority receives a management fee from the cable television company and currently does not receive a subsidy from the City. Complete financial statements for the Authority can be obtained from the administrative offices at 3978 Chanda Court, Highland, Michigan 48031.

The City is also a member of the Resource Recovery and Recycling Authority of Southwest Oakland County (the "Recycling Authority"). The Recycling Authority is incorporated by the cities of Farmington, Farmington Hills, Novi, South Lyon, Southfield, Walled Lake, Wixom, and the Charter Township of Lyon. The City appoints one member to the Recycling Authority's governing board, which then approves the annual budget. The Recycling Authority receives its operating revenue from member contributions and miscellaneous income. During the year, the City contributed approximately \$36,023 for its operations. Complete financial statements for the Recycling Authority can be obtained from the administrative offices at 2000 West Eight Mile, Southfield, Michigan 48375.

For both the Western Oakland County Cable Communication Authority and the Resource Recovery and Recycling Authority of Southwest Oakland County, the City is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future.

Note 14 - Brownfield Redevelopment Authority

The Brownfield Redevelopment Authority was established pursuant to Public Act 381 of 1996 and is governed by the Oakland County Brownfield Redevelopment Authority. Upon completion of its purpose, the Authority may be dissolved by resolution of the City Council. The City only collects property tax revenue and remits them to Oakland County. The Oakland County Brownfield Redevelopment Authority is responsible for the disbursement and accounting for all monies received. The City collected \$34,868 in captured revenue for the Brownfield Redevelopment Authority for fiscal year 2008.

Notes to Financial Statements

Note 15 – Accounting and Reporting Change

GASB Statement No. 45

Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* was released by the Governmental Accounting Standards Board. This pronouncement provides guidance in computing and recognizing the cost of retiree health benefits or other retiree benefits. The effective date of this pronouncement is as follows:

- Pronouncement is effective for fiscal periods beginning after December 15, 2006 only for governments with annual revenues of \$100 million or more.
- Pronouncement is effective for fiscal periods beginning after December 15, 2007 only for governments with annual revenues of \$10 million or more but less than \$100 million.
- Pronouncement is effective for fiscal periods beginning after December 15, 2008 only for governments with annual revenues of less than \$10 million.

Accordingly, the effective date of this pronouncement will be June 30, 2009, when the City will need to recognize on its government-wide financial statements the cost of providing retiree health care.

GASB Statement No. 48

Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*. This statement establishes criteria that governments will use to ascertain whether certain transactions should be regarded as sales or a collateralized borrowings. The statement also includes disclosure requirements for future revenues that are pledged or sold. The requirements of the new statement became effective for fiscal periods beginning after December 15, 2006.

GASB Statement No. 47

Statement No. 47, *Accounting for Termination Benefits* was released by the Governmental Accounting Standards Board. This pronouncement provides guidance on how employers should account for benefits associated with either voluntary or involuntary terminations. This Statement was adopted by the City in the current year. This provision does not involve other postemployment benefits, which are covered under GASB Statement No. 45, *Accounting and Reporting by Employers for Postemployment Benefits Other Than Pensions*, and take effect on June 30, 2009 for the City.

Note 15 – Accounting and Reporting Change (Continued)

GASB Statement No. 49

Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations* was released by the Governmental Accounting Standards Board. This pronouncement provides guidance on how to determine and report the costs and obligations associated with pollution cleanup efforts. The effective date of this pronouncement will be June 30, 2009.

GASB Statement No. 50

The GASB has issued Statement No. 50, *Pension Disclosures*. This statement more closely aligns the financial reporting requirements for pensions with those for other post employment benefits. The requirements of the new statement become effective for fiscal periods beginning after June 15, 2007 except for the requirement for plans that use the aggregate actuarial cost method to present a schedule of funding progress using the entry age actuarial cost method which is effective for the actuarial valuations as of June 15, 2007.

GASB Statement No. 51

The GASB has issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. This statement establishes accounting and financial reporting requirements for intangible assets including easements, water rights, timber rights, patents, trademarks, and computer software. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2009.

Required Supplemental Information

June 30, 2008



Notes to Required Supplemental Information

Year Ended June 30, 2008

Budgetary Information

Budgetary Information - Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and all Special Revenue Funds. Subsequent amendments are approved by the City Council. Amendments may be made by the City Council up until the last day of the fiscal year. All annual appropriations lapse at fiscal year end. Financial plans are submitted for all other funds, including Debt Service Funds, Capital Project Funds, and Enterprise Funds.

The City follows these procedures in establishing the budgetary data reflected in the supplementary information:

At the first City Council meeting in April, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. Financial plans for all other funds are also submitted at this time.

Budget sessions and public hearings are conducted by the City Council to review the proposed City Manager's budget/financial plans and to obtain taxpayer comments. If required, a Truth-In-Taxation Public Hearing is held at the second City Council meeting in May.

The budget must be formally adopted no later than the second City Council meeting in May when the budget is legally enacted through passage of a Council resolution.

The budget document presents information by fund, function, department, and line items. Budgets are adopted on a modified accrual basis consistent with generally accepted accounting principles. The legal level of budgetary control adopted by the governing body for the General Fund is the department level. All other funds' budgets have been adopted on an aggregate basis by function or department.

Formal budgetary integration is employed as a management control device during the year for all funds at a line-item level. Administrative control is maintained through the establishment of more detailed line-item budgets. Budget transfers between budgetary categories, functions or from fund balance are periodically approved by the City Council. Supplemental appropriations for additional expenditures, which require an appropriation of available fund balance, must be approved by the City Council. Appropriations for operations lapse at year end. Appropriations for continuing projects are incorporated in the budget of the ensuing year. The City reserves fund balances for these items.

Notes to Required Supplemental Information

Year Ended June 30, 2008

Budgetary Information (Continued)

Department Heads with City Manager approval may make transfers of appropriations annually within a department up to an aggregate of \$20,000. The City closely monitors spending by reviewing monthly budget reports and, if necessary, will perform periodic budget amendments to reflect significant changes in the budget. In addition, the City Manager informs the City Council of any changes in the financial plan for the Capital Project Funds, Debt Service Funds and Enterprise Funds.

Significant budget amendments during the year are described briefly below.

General Fund	Original Budget	Amended Budget	Changes to Budget
Revenues			
Building Permits & Fees	310,000	228,418	(81,582)
Interest Income	350,000	307,000	(43,000)
Expenditures			
Transfer to Budget Stab. Fund	-	632,891	632,891

Major Road Act 51 Program	Original Budget	Amended Budget	Changes to Budget
Revenues			
Contrib-Maj/Loc Road Maint Prog	302,450	544,450	242,000
Expenditures			
Transfer to Local Road Act 51 Program	95,885	58,429	(37,456)
Major Road Program - Maintenance	302,450	544,450	242,000
Snow & Ice Removal-Equipt Rental	30,589	82,188	51,599

Local Road Act 51 Program	Original Budget	Amended Budget	Changes to Budget
Revenues			
Contribution - Local Road Prog	1,893,835	214,885	(1,678,950)
Contribution - General Fund	55,935	339,585	283,650
Expenditures			
Local Road Program Improvement	1,893,835	214,885	(1,678,950)
Routine Maintenance Salaries	44,000	84,100	40,100
Employee Fringe Benefits	25,426	67,300	41,874
Routine Maintenance-Materials	80,000	46,800	(33,200)
Routine Maintenance-Equipt. Rental	75,000	148,700	73,700
Snow & Ice Removal-Equipt. Rental	27,975	108,017	80,042

Notes to Required Supplemental Information

Year Ended June 30, 2008

Budgetary Information (Continued)

LDFA-Capital Projects	Original Budget	Amended Budget	Changes to Budget
Revenues			
Contribution - Local Share	847,000	89,000	(758,000)
Expenditures			
Transfer Local Road Fund	847,000	77,000	(770,000)

Budget Stabilization Fund	Original Budget	Amended Budget	Changes to Budget
Revenues			
Contribution - General Fund	-	632,891	(632,891)

Local Road Capital Project Fund	Original Budget	Amended Budget	Changes to Budget
Revenues			
Contribution - LDFA Capital Project Fund	847,000	77,000	(770,000)
Expenditures			
Local Road Projects	2,196,285	1,761,285	(435,000)

The budget amendments were requested and approved to recognize reduction in permit fees, decrease in interest income, increase in General Fund support of Act 51 road programs, and to adjust expenditures in the Major and Local Act 51 Road Program, including Local Development Finance Authority contribution for roads, and contribution to the Budget Stabilization Fund in accordance with the Five Year Financial Plan.

Amounts encumbered for purchase orders, contracts, etc., are not tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered.

Budget amounts of the revenues and expenditures presented for the Governmental Funds are a summarization of the budgeted amounts as originally adopted or as amended by City Council. During the current year, the budget was amended in a legally permissible manner. Budgets have been prepared on a basis consistent with generally accepted accounting principles (GAAP), except that transfers have been included as revenues and expenditures.

City of Wixom, Michigan

Required Supplemental Information

Budgetary Comparison Schedule - General Fund

Year Ended June 30, 2008



	Original Budget	Amended Budget	Actual	Variance With Amended Budget
General Fund				
Fund Balance - Beginning of year	\$ 1,504,501	\$ 1,504,501	\$ 2,149,598	\$ 645,097
Resources (inflows):				
Property taxes	6,715,328	6,754,328	6,762,907	8,579
State sources	1,082,544	1,084,244	1,095,082	10,838
Fees and Permits	335,000	254,757	261,920	7,163
Miscellaneous revenues	942,100	966,222	989,897	23,675
Transfer from other funds	1,045,359	1,024,405	1,019,489	(4,916)
Amounts available for appropriation	11,624,832	11,588,457	12,278,893	690,436
Charges to appropriations (outflows)				
General government:				
Legislative	19,626	21,626	21,199	427
City Manager	460,239	450,856	443,222	7,634
Assessor	204,334	197,509	183,863	13,646
Legal Counsel	93,300	93,300	80,425	12,875
Clerk's office	203,245	184,855	170,939	13,916
Information systems	143,673	143,673	123,589	20,084
Financial administration	431,479	432,697	414,779	17,918
General Operating	443,948	440,863	418,934	21,929
General Maintenance	55,500	55,500	48,051	7,449
Boards and commissions	1,200	1,300	1,219	81
Cultural and recreational:				
Community services	327,954	326,910	314,808	12,102
Parks and recreation	447,696	445,072	401,089	43,983
Seniors	37,800	37,800	37,014	786
Beautification	17,275	17,275	17,118	157
Public safety:				
Fire	910,190	916,183	876,030	40,153
Police	3,180,870	3,179,431	3,057,294	122,137
Emergency management	1,000	1,000	-	1,000
Public works and engineering services				
Planning	49,650	71,947	63,541	8,406
Public works	1,515,001	1,574,951	1,502,903	72,048
Building	559,847	486,348	464,248	22,100
Board of Appeals	6,050	6,050	4,315	1,735
Transfers to other funds:				
Capital planning	537,000	537,000	537,000	-
Retiree insurance	464,506	464,506	464,506	-
Budget Stabilization	-	632,891	632,891	-
Total charges to appropriations	10,111,383	10,719,543	10,278,977	440,566
Fund Balance - End of year	\$ 1,513,449	\$ 868,914	\$ 1,999,916	\$ 1,131,002

City of Wixom, Michigan

Required Supplemental Information

Budgetary Comparison Schedule - Major Special Revenue Funds

Year Ended June 30, 2008



	Original Budget	Amended Budget	Actual	Variance With Amended Budget
Major Road Act 51 Fund				
Fund Balance - Beginning of year	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
State revenue	511,443	495,884	493,050	(2,834)
Transfer from other funds	307,450	571,226	546,762	(24,464)
Amounts available for appropriation	818,893	1,067,110	1,039,812	(27,298)
Charges to appropriations (outflows)				
Public Works				
Interfund transfers	95,885	58,429	58,429	-
Administrative	51,144	49,588	49,305	283
Construction	307,450	561,450	546,762	14,688
Routine maintenance	222,000	202,800	188,557	14,243
Traffic service	51,825	44,097	46,013	(1,916)
Snow and ice removal	90,589	150,746	150,746	-
Total charges to appropriations	818,893	1,067,110	1,039,812	27,298
Fund Balance - End of year	\$ -	\$ -	\$ -	\$ -



City of Wixom, Michigan

Required Supplemental Information

Budgetary Comparison Schedule - Major Special Revenue Funds

Year Ended June 30, 2008

	Original Budget	Amended Budget	Actual	Variance With Amended Budget
Local Road Act 51 Fund				
Fund Balance - Beginning of year	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
State revenue	215,646	210,251	208,169	(2,082)
Transfer from other funds	2,045,655	612,899	486,251	(126,648)
Amounts available for appropriation	2,261,301	823,150	694,420	(128,730)
Charges to appropriations (outflows)				
Public Works				
Administrative	21,565	21,025	20,817	208
Construction	1,893,835	214,885	80,071	134,814
Routine maintenance	224,426	346,900	351,196	(4,296)
Traffic service	35,500	43,500	45,499	(1,999)
Snow and ice removal	85,975	196,840	196,837	3
Total charges to appropriations	2,261,301	823,150	694,420	128,730
Fund Balance - End of year	\$ -	\$ -	\$ -	\$ -

City of Wixom, Michigan

Required Supplemental Information

Budgetary Comparison Schedule - Major Special Revenue Funds

Year Ended June 30, 2008



	Original Budget	Amended Budget	Actual	Variance With Amended Budget
Local Road Capital Fund				
Fund Balance - Beginning of year	\$ 1,200,214	\$ 1,200,214	\$ 1,952,631	\$ 752,417
Resources (inflows):				
Property Taxes	1,056,970	1,056,970	1,050,043	(6,927)
Interest Income	25,000	25,000	72,130	47,130
County Grants	847,000	77,000	24,221	(52,779)
Amounts available for appropriation	3,129,184	2,359,184	3,099,025	739,841
Charges to appropriations (outflows) - Local road programs	2,196,285	1,761,285	617,067	1,144,218
Fund Balance - End of year	<u>\$ 932,899</u>	<u>\$ 597,899</u>	<u>\$ 2,481,958</u>	<u>\$ 1,884,059</u>



City of Wixom, Michigan

Required Supplemental Information

Budgetary Comparison Schedule - Major Special Revenue Funds

Year Ended June 30, 2008

	Original Budget	Amended Budget	Actual	Variance With Amended Budget
Capital Improvement Fund				
Fund Balance - Beginning of year	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Capital Planning Fund contribution	468,400	1,414,400	362,962	(1,051,438)
Cemetery Fund contribution	5,000	5,000	2,275	(2,725)
Other Funds contribution	975,000	15,042	15,042	-
Amounts available for appropriation	1,448,400	1,434,442	380,279	(1,054,163)
Charges to appropriations (outflows)				
General government:				
Finance	5,000	5,000	-	5,000
General Operating	56,500	55,338	17,614	37,724
Cultural and recreational:				
Community services	23,000	23,000	28,728	(5,728)
Parks and recreation	146,500	112,924	89,541	23,383
Public safety:				
Fire	975,000	995,780	15,042	980,738
Police	90,400	90,400	86,965	3,435
Public works - DPW	147,000	147,000	140,114	6,886
Cemetery	5,000	5,000	2,275	2,725
Total charges to appropriations	1,448,400	1,434,442	380,279	1,054,163
Fund Balance - End of year	\$ -	\$ -	\$ -	\$ -



City of Wixom, Michigan

Required Supplemental Information

Budgetary Comparison Schedule - Major Special Revenue Funds

Year Ended June 30, 2008

	Original Budget	Amended Budget	Actual	Variance With Amended Budget
Capital Planning Fund				
Fund Balance - Beginning of year	\$ 950,525	\$ 950,525	\$ 1,044,174	\$ 93,649
Resources (inflows):				
General Fund Contribution	537,000	537,000	537,000	-
Interest Income	38,000	38,000	42,252	4,252
Amounts available for appropriation	1,525,525	1,525,525	1,623,426	97,901
Charges to appropriations (outflows)				
General government:				
Financial administration	5,000	5,000	-	5,000
General Operating	56,500	55,338	17,614	37,724
Cultural and recreational:				
Parks and recreation	146,500	112,924	89,541	23,383
Cultural center	23,000	28,738	28,728	10
Public safety:				
Police	90,400	90,400	86,965	3,435
Fire	-	975,000	-	975,000
Public works - DPW	147,000	176,000	169,113	6,887
Total charges to appropriations	468,400	1,443,400	391,961	1,051,439
Fund Balance - End of year	<u>\$ 1,057,125</u>	<u>\$ 82,125</u>	<u>\$ 1,231,465</u>	<u>\$ 1,149,340</u>

These expenditures are actually transfers to the Capital Improvement Fund to provide a source of funding for different capital projects. The City uses the Capital Planning Fund in conjunction with their five year capital program.



City of Wixom, Michigan

Required Supplemental Information

Budgetary Comparison Schedule - Major Special Revenue Funds

Year Ended June 30, 2008

	Original Budget	Amended Budget	Actual	Variance With Amended Budget
Budget Stabilization				
Fund Balance - Beginning of year	\$ 709,290	\$ 709,290	719,805	\$ 10,515
Resources (inflows):				
Contribution From General Fund	-	632,891	632,891	-
Contribution From Wastewater	1,200,000	1,250,000	1,250,000	-
Interest Income	35,000	35,000	38,381	3,381
Amounts available for appropriation	1,944,290	2,627,181	2,641,077	13,896
Charges to appropriations (outflows) -				
Contribution to Genral Fund	-	-	-	-
Total charges to appropriations	-	-	-	-
Fund Balance - End of year	<u>\$ 1,944,290</u>	<u>\$ 2,627,181</u>	<u>\$ 2,641,077</u>	<u>\$ 13,896</u>

Other Supplemental Information

June 30, 2008

Notes to Other Supplemental Information Nonmajor Governmental Funds

Year Ended June 30, 2008

Special Revenue Funds

Special Revenue Funds are classified as such because some authority other than the City requires special/legal restrictions and accounting procedures. The Special Revenue Funds (Nonmajor) of the City are shown below:

Community Development Block Grant (CDBG) Fund -Community Development Block Grant (CDBG) Fund contains monies allocated annually to the City for reimbursement from the Federal Community Block Grant programs, which is administrated by Oakland County. These funds are used for development and completion of projects that serve the needs of persons of low to moderate income within the City.

Land Acquisition Fund - The Land Acquisition Fund contains the proceeds of the millage levied for the purpose of acquiring land. The land acquisition activities are designed to preserve the natural resources of the City and to facilitate controlled growth and quality economic development. The program was funded through property taxes over a 10 year period ending FY 1998-99.

Forfeiture Fund - The Forfeiture Fund contains monies received from the forfeiture of drugs or equipment used in the manufacture, sale, or use of drugs. These funds must be used in the fight against drugs.

Retiree Insurance Fund - The Insurance for Retiree Benefits was established to fund current and future expenditures for the payment of Retiree Health Insurance as stipulated in the City's Union contracts. It is now shown under Fiduciary Funds.

Safety Bike Path - The Safety Path Capital Program Fund was created to record the capital outlays of the Bike Path Improvement programs that were approved by the citizens of the City in FY 1995-96. This fund contains the proceeds of a six year millage levied for the purpose of building bike paths.

Solid Waste Collection Fund - This program contains resources to fund solid waste collection services provided to Wixom residents by contractors retained by the City. Services included in this department are for refuse collection. This program includes the Solid Waste program for the City. A Special Revenue Fund was setup to account for this activity in the Fiscal Year 1999-2000.



Notes to Other Supplemental Information Nonmajor Governmental Funds

Year Ended June 30, 2008

Special Revenue Funds (Continued)

Special Agency - The Special Agency Fund was established to show building developer accounts and other special agency accounts which were transferred from a Trust and Agency fund to this Special Revenue fund.

Cemetery Fund - The Cemetery Board is responsible for the operations of the Wixom Cemetery. The City Clerk is responsible for recordkeeping of all Cemetery records. The Cemetery Board is made up of 5 members, appointed by the Mayor, with the confirmation of the City Council.

Capital Project Funds

Capital Project Funds are used to account for the construction of major assets of the City such as buildings and major infrastructure improvements.

DPW & Fire Building Construction Fund - The DPW & Fire Building Construction Fund was created to record the capital outlays for the cost of acquiring, constructing, equipping and furnishing a new Department of Public Works building and salt storage facility, and expansions to and renovations of a Fire Station building that was approved by the citizens of the City in FY 1999-2000. The revenues consist of bond proceeds from bonds issued in 2000, and investment earnings.

Major Road Capital Fund - The Major Road Capital Fund accounts for the repairs and construction of the City's major streets and assists in the funding of the Major Road Fund. The revenues consist of Federal, State and County Grants, State-shared gasoline and weight tax collections, bond proceeds from bonds issued in 1996 and 1997, and investment earnings.

DDA/VCA Development Project Fund - The Village Center Area District is intended to allow for the development of a fully integrated, mixed use, pedestrian oriented Village Center Area (VCA). The intent of the VCA District is to minimize traffic congestion, infrastructure costs and environmental degradation. Provisions for the VCA District support traditional neighborhood design principles, which are historically based on urban development from the early colonial times to the 1940's. The DDA/VCA (Downtown Development Authority/Village Center Area) Development Project Fund was created to record the capital outlays in developing the VCA. The revenues consist of bond proceeds from bonds issued in 2005, and investment earnings.



Notes to Other Supplemental Information Nonmajor Governmental Funds

Year Ended June 30, 2008

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, long-term debt principal and interest.

Civic Center Debt Fund -This fund was established to account for the payment of annual principal and interest on \$5,400,000 of bonds sold for building a new City civic center. These annual requirements are met from a special ad valorem tax. A substantial portion of this debt was refinanced at a lower interest rate by the 2001 Refunding Bond issue.

DDA/VCA Development Debt Fund -This fund was established to account for the payment of annual principal and interest on \$5,750,000 of bonds sold for building the DDA/VCA Development Project Fund. The Village Center Area District is intended to allow for the development of a fully integrated, mixed use, pedestrian oriented Village Center Area (VCA). These annual requirements are met from the DDA/VCA ad valorem tax.

Major Road Debt Fund -This fund was established to account for the payment of annual principal and interest on two bond issues sold to improve major roads within the City. These annual requirements are met from a special ad valorem tax. A portion of this debt was refinanced at a lower interest rate by the 2004 Refunding Bond issue.

DPW & Fire Construction Debt Fund - This fund was established to account for the payment of annual principal and interest on \$2,615,000 of bonds sold for building a new DPW facility and to renovate a fire station with the City. These annual requirements are met from a special ad valorem tax.



City of Wixom, Michigan

Other Supplemental Information

Financial Plan Comparison Schedule - Major Debt Service Fund

Year Ended June 30, 2008

	Original Budget	Amended Budget	Actual	Variance With Amended Budget
Special Assessment Fund				
Fund Balance - Beginning of year	\$ 250,639	\$ 250,639	\$ 260,104	\$ 9,465
Resources (inflows):				
Special Assessment Revenue	254,869	254,869	264,287	9,418
Interest Income	8,000	8,000	9,785	1,785
Amounts available for appropriation	513,508	513,508	534,176	20,668
Charges to appropriations (outflows) - Debt				
Interest expense	102,540	102,540	102,540	-
Principal payment	100,000	100,000	100,000	-
Miscellaneous expense	500	500	275	225
Total charges to appropriations	203,040	203,040	202,815	225
Fund Balance - End of year	<u>\$ 310,468</u>	<u>\$ 310,468</u>	<u>\$ 331,361</u>	<u>\$ 20,893</u>

City of Wixom, Michigan
Other Supplemental Information
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2008

	Nonmajor Special Revenue Funds							
	Community Development	Land Acquisition	Forfeiture	Retirees	Safety Path	Solid Waste	Special Agency	Cemetery
Assets								
Cash and investments	\$ -	\$ 1,193,170	\$ 12,657	\$ -	\$ -	\$ 69,750	\$ -	\$ 79,818
Receivables - Net	54,550	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-
Due from other funds	12,843	-	-	-	1,814	-	1,248,986	-
Total assets	<u>\$ 67,393</u>	<u>\$ 1,193,170</u>	<u>\$ 12,657</u>	<u>\$ -</u>	<u>\$ 1,814</u>	<u>\$ 69,750</u>	<u>\$ 1,248,986</u>	<u>\$ 79,818</u>
Liabilities and Fund Balances								
Liabilities								
Accounts payable	\$ 67,393	\$ -	\$ -	\$ -	\$ -	\$ 39,392	\$ 9,565	\$ -
Due to other funds	-	-	-	-	-	-	-	2,275
Total liabilities	<u>67,393</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,392</u>	<u>9,565</u>	<u>2,275</u>
Fund Balances - Unreserved								
Special Revenue Funds	-	1,193,170	12,657	-	1,814	30,358	1,239,421	77,543
Capital Projects	-	-	-	-	-	-	-	-
Debt Service Funds	-	-	-	-	-	-	-	-
Total Fund Balance	<u>-</u>	<u>1,193,170</u>	<u>12,657</u>	<u>-</u>	<u>1,814</u>	<u>30,358</u>	<u>1,239,421</u>	<u>77,543</u>
Total liabilities and fund balances	<u>\$ 67,393</u>	<u>\$ 1,193,170</u>	<u>\$ 12,657</u>	<u>\$ -</u>	<u>\$ 1,814</u>	<u>\$ 69,750</u>	<u>\$ 1,248,986</u>	<u>\$ 79,818</u>



Capital Project Funds				Debt Service Funds			Total Nonmajor Governmental Funds
DPW & Fire Construction	Major Road Capital Program	DDA/VCA Development	Civic Center	Development Debt	Major Road	DPW & Fire Building	
\$ 23,451	\$ 877,981	\$ 400,650	\$ 110,856	\$ 180,112	\$ 132,730	\$ 29,251	\$ 3,110,426
-	-	-	-	-	-	-	54,550
-	-	761,443	-	-	-	-	761,443
-	-	-	-	-	4,126	650	1,268,419
<u>\$ 23,451</u>	<u>\$ 877,981</u>	<u>\$ 1,162,093</u>	<u>\$ 110,856</u>	<u>\$ 180,112</u>	<u>\$ 136,856</u>	<u>\$ 29,901</u>	<u>\$ 5,194,838</u>
\$ 8,080	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 124,430
1,400	-	-	1,045	-	-	-	4,720
<u>9,480</u>	<u>-</u>	<u>-</u>	<u>1,045</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>129,150</u>
-	-	-	-	-	-	-	2,554,963
13,971	877,981	1,162,093	-	-	-	-	2,054,045
-	-	-	109,811	180,112	136,856	29,901	456,680
<u>13,971</u>	<u>877,981</u>	<u>1,162,093</u>	<u>109,811</u>	<u>180,112</u>	<u>136,856</u>	<u>29,901</u>	<u>5,065,688</u>
<u>\$ 23,451</u>	<u>\$ 877,981</u>	<u>\$ 1,162,093</u>	<u>\$ 110,856</u>	<u>\$ 180,112</u>	<u>\$ 136,856</u>	<u>\$ 29,901</u>	<u>\$ 5,194,838</u>

City of Wixom, Michigan
Other Supplemental Information
Combining Statement of Revenue, Expenditures,
and changes in Fund Balance-Nonmajor Governmental Funds
Year Ended June 30, 2008

	Nonmajor Special Revenue Funds							
	Community	Land			Safety	Solid	Special	
	Development	Acquisition	Forfeiture	Retirees	Path	Waste	Agency	Cemetery
Revenues								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 147	\$ -	\$ -
Solid waste collection	-	-	-	-	-	486,442	-	-
Federal Revenue	80,580	-	-	-	-	-	-	-
Component unit contributions	-	-	-	-	-	-	-	-
Permits & Fees	-	-	-	-	-	-	239,212	-
Donations	-	-	-	-	-	-	30,794	-
Interest	-	44,173	134	-	-	4,257	-	2,790
Other revenue	-	-	11,251	-	-	512	-	4,900
Total revenues	80,580	44,173	11,385	-	-	491,358	270,006	7,690
Expenditures								
Current:								
General operating	15,003	500	-	-	-	-	-	117
Police department	-	-	4,062	-	-	-	22,883	-
Building	-	-	-	-	-	-	356,453	-
Solid waste	-	-	-	-	-	505,670	-	-
Public works	94,577	-	-	-	-	-	-	-
Health Benefits - Retirees	-	-	-	1,341,024	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	109,580	500	4,062	1,341,024	-	505,670	379,336	117
Excess of Revenues Over(Under)								
Expenditures	(29,000)	43,673	7,323	(1,341,024)	-	(14,312)	(109,330)	7,573
Other Financing Sources (Uses)								
Transfers in	29,000	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(15,042)	(2,275)
Total other financing sources (uses)	29,000	-	-	-	-	-	(15,042)	(2,275)
Net Change in Fund Balances	-	43,673	7,323	(1,341,024)	-	(14,312)	(124,372)	5,298
Fund Balances - Beginning of year	-	1,149,497	5,334	1,341,024	1,814	44,670	1,363,793	72,245
Fund Balances - End of year	\$ -	\$ 1,193,170	\$ 12,657	\$ -	\$ 1,814	\$ 30,358	\$ 1,239,421	\$ 77,543



Capital Project Funds			Debt Service Funds				Total Nonmajor Governmental Funds
DPW & Fire	Major Road	DDA/VCA	Civic	Development	Major	DPW & Fire	
Construction	Capital Program	Development	Center	Debt	Road	Building	
\$ -	\$ -	\$ -	\$ 337,555	\$ -	\$ 888,246	\$ 264,006	\$ 1,489,954
-	-	-	-	-	-	-	486,442
-	-	-	-	-	-	-	80,580
-	8,464	-	-	237,706	-	-	246,170
-	-	-	-	-	-	-	239,212
-	-	-	170,119	-	-	-	200,913
973	23,754	12,328	9,742	6,287	18,183	3,466	126,087
-	-	-	-	-	-	-	16,663
973	32,218	12,328	517,416	243,993	906,429	267,472	2,886,021
-	-	-	500	-	500	500	17,120
-	-	-	-	-	-	-	26,945
-	-	-	-	-	-	-	356,453
-	-	-	-	-	-	-	505,670
13,015	-	150,883	-	-	-	-	258,475
-	-	-	-	-	-	-	1,341,024
-	-	-	435,000	-	680,000	180,000	1,295,000
-	-	-	40,550	230,235	188,653	93,770	553,208
13,015	-	150,883	476,050	230,235	869,153	274,270	4,353,895
(12,042)	32,218	(138,555)	41,366	13,758	37,276	(6,798)	(1,467,874)
-	-	-	-	-	-	-	29,000
-	(9,767)	-	-	-	-	-	(27,084)
-	(9,767)	-	-	-	-	-	1,916
(12,042)	22,451	(138,555)	41,366	13,758	37,276	(6,798)	(1,465,958)
26,013	855,530	1,300,648	68,445	166,354	99,580	36,699	6,531,646
\$ 13,971	\$ 877,981	\$ 1,162,093	\$ 109,811	\$ 180,112	\$ 136,856	\$ 29,901	\$ 5,065,688



City of Wixom, Michigan

Other Supplemental Information

Budgetary Comparison Schedule - Nonmajor Special Revenue Funds

Year Ended June 30, 2008

	Original Budget	Amended Budget	Actual	Variance With Amended Budget
Community Development Block Grant Fund				
Fund Balance - Beginning of year	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
CDBG Revenue	44,371	73,371	109,580	36,209
Amounts available for appropriation	44,371	73,371	109,580	36,209
Charges to appropriations (outflows) -				
CDBG Expenditures	44,371	73,371	109,580	(36,209)
Fund Balance - End of year	\$ -	\$ -	\$ -	\$ -



City of Wixom, Michigan

Other Supplemental Information

Budgetary Comparison Schedule - Nonmajor Special Revenue Funds

Year Ended June 30, 2008

	Original Budget	Amended Budget	Actual	Variance With Amended Budget
Land Acquisition				
Fund Balance - Beginning of year	\$ 739,639	\$ 739,639	\$ 1,149,497	\$ 409,858
Resources (inflows):				
Sale of Land	1,504,088	1,504,088	-	(1,504,088)
Interest Income	30,000	30,000	44,173	14,173
Amounts available for appropriation	2,273,727	2,273,727	1,193,670	(1,080,057)
Charges to appropriations (outflows) -				
Land Acquisition Expenditures	2,273,727	2,273,727	500	2,273,227
Fund Balance - End of year	\$ -	\$ -	\$ 1,193,170	\$ 1,193,170



City of Wixom, Michigan

Other Supplemental Information

Budgetary Comparison Schedule - Nonmajor Special Revenue Funds

Year Ended June 30, 2008

	Original Budget	Amended Budget	Actual	Variance With Amended Budget
Forfeiture Fund				
Fund Balance - Beginning of year	\$ 1,998	\$ 1,998	\$ 5,334	\$ 3,336
Resources (inflows):				
Interest Income	50	50	134	84
Miscellaneous Income	-	-	11,251	11,251
Amounts available for appropriation	2,048	2,048	16,719	14,671
Charges to appropriations (outflows) -				
Forfeiture Expenditures	2,048	5,370	4,062	1,308
Fund Balance - End of year	<u>\$ -</u>	<u>\$ (3,322)</u>	<u>\$ 12,657</u>	<u>\$ 15,979</u>



City of Wixom, Michigan

Other Supplemental Information

Budgetary Comparison Schedule - Nonmajor Special Revenue Funds

Year Ended June 30, 2008

	Original Budget	Amended Budget	Actual	Variance With Amended Budget
Retirees Fund (Health Insurance)				
Fund Balance - Beginning of year	\$ 1,295,610	\$ 1,295,610	\$ 1,341,024	\$ 45,414
Resources (inflows):				
Interest Income	64,781	5,000	-	(5,000)
Retiree Insurance Contribution	51,500	51,500	-	(51,500)
Contribution Other Funds	494,373	494,373	-	(494,373)
Amounts available for appropriation	1,906,264	1,846,483	1,341,024	(505,459)
Charges to appropriations (outflows) -				
Contribution - Balance of Special Revenue Fund	-	-	1,341,024	(1,341,024)
Insurance Premiums	50,760	50,760	-	50,760
Total charges to appropriations	50,760	50,760	1,341,024	(1,290,264)
Fund Balance - End of year	<u>\$ 1,855,504</u>	<u>\$ 1,795,723</u>	<u>\$ -</u>	<u>\$ 784,805</u>



City of Wixom, Michigan

Other Supplemental Information

Budgetary Comparison Schedule - Nonmajor Special Revenue Funds

Year Ended June 30, 2008

	Original Budget	Amended Budget	Actual	Variance With Amended Budget
Safety Bike Path				
Fund Balance - Beginning of year	\$ -	\$ -	\$ 1,814	\$ 1,814
Resources (inflows):				
Property Taxes	-	-	-	-
Interest Income	-	-	-	-
Amounts available for appropriation	-	-	1,814	1,814
Charges to appropriations (outflows) -				
Safety Bike Path Expenditures	-	-	-	-
Fund Balance - End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,814</u>	<u>\$ 1,814</u>



City of Wixom, Michigan

Other Supplemental Information

Budgetary Comparison Schedule - Nonmajor Special Revenue Funds

Year Ended June 30, 2008

	Original Budget	Amended Budget	Actual	Variance With Amended Budget
Solid Waste Collection				
Fund Balance - Beginning of year	\$ 30,441	\$ 30,441	\$ 44,670	\$ 14,229
Resources (inflows):				
Solid Waste Collection	496,600	496,600	486,589	(10,011)
Interest Income	1,500	1,500	4,769	3,269
Amounts available for appropriation	528,541	528,541	536,028	7,487
Charges to appropriations (outflows) -				
Solid Waste Collection Expenditures	514,421	514,421	505,671	8,750
Fund Balance - End of year	<u>\$ 14,120</u>	<u>\$ 14,120</u>	<u>\$ 30,357</u>	<u>\$ 16,237</u>



City of Wixom, Michigan

Other Supplemental Information

Budgetary Comparison Schedule - Nonmajor Special Revenue Funds

Year Ended June 30, 2008

	Original Budget	Amended Budget	Actual	Variance With Amended Budget
Special Agency Fund				
Fund Balance - Beginning of year	\$ 1,394,074	\$ 1,394,074	1,363,793	\$ (30,281)
Resources (inflows):				
Permits & Fees	637,000	228,100	239,212	11,112
Miscellaneous Income	17,000	24,500	26,294	1,794
Donations	-	4,500	4,500	-
Amounts available for appropriation	2,048,074	1,651,174	1,633,799	(17,375)
Charges to appropriations (outflows)				
General government:				
Building	507,000	368,000	356,453	11,547
Police	3,000	26,460	22,883	3,577
Transfer	-	15,042	15,042	-
Total charges to appropriations	510,000	409,502	394,378	15,124
Fund Balance - End of year	<u>\$ 1,538,074</u>	<u>\$ 1,241,672</u>	<u>\$ 1,239,421</u>	<u>\$ (2,251)</u>



City of Wixom, Michigan

Other Supplemental Information

Budgetary Comparison Schedule - Nonmajor Special Revenue Funds

Year Ended June 30, 2008

	Original Budget	Amended Budget	Actual	Variance With Amended Budget
Cemetery				
Fund Balance - Beginning of year	\$ 69,063	\$ 69,063	\$ 72,245	\$ 3,182
Resources (inflows):				
Sale of Lots	2,500	2,500	4,900	2,400
Interest Income	2,400	2,400	2,790	390
Amounts available for appropriation	73,963	73,963	79,935	5,972
Charges to appropriations (outflows) -				
Cemetery Expenditures	500	500	117	383
Transfer to Capital Improvements	5,000	5,000	2,275	2,725
Total charges to appropriations	5,500	5,500	2,392	3,108
Fund Balance - End of year	<u>\$ 68,463</u>	<u>\$ 68,463</u>	<u>\$ 77,543</u>	<u>\$ 9,080</u>



City of Wixom, Michigan

Other Supplemental Information

Financial Plan Comparison Schedule - Nonmajor Capital Project Fund

Year Ended June 30, 2008

	Original Budget	Amended Budget	Actual	Variance With Amended Budget
DPW & Fire Construction Fund				
Fund Balance - Beginning of year	\$ 1,573	\$ 1,573	\$ 26,013	\$ 24,440
Resources (inflows):				
Interest Income	-	-	973	973
Amounts available for appropriation	1,573	1,573	26,986	25,413
Charges to appropriations (outflows) -				
DPW & Fire Construction	1,573	26,012	13,015	12,997
Fund Balance - End of year	<u>\$ -</u>	<u>\$ (24,439)</u>	<u>\$ 13,971</u>	<u>\$ 38,410</u>

City of Wixom, Michigan

Other Supplemental Information

Financial Plan Comparison Schedule - Nonmajor Capital Project Fund

Year Ended June 30, 2008



	Original Budget	Amended Budget	Actual	Variance With Amended Budget
Major Road Capital Fund				
Fund Balance - Beginning of year	\$ 779,549	\$ 779,549	\$ 855,530	\$ 75,981
Resources (inflows):				
Interest Income	31,000	22,000	23,754	1,754
Contribution - LDFA Project	-	12,000	8,464	(3,537)
Amounts available for appropriation	810,549	813,549	887,748	74,199
Charges to appropriations (outflows) - Major road programs	5,000	17,000	9,767	7,233
Fund Balance - End of year	<u>\$ 805,549</u>	<u>\$ 796,549</u>	<u>\$ 877,981</u>	<u>\$ 81,432</u>



City of Wixom, Michigan

Other Supplemental Information

Financial Plan Comparison Schedule - Nonmajor Capital Project Fund

Year Ended June 30, 2008

	Original Budget	Amended Budget	Actual	Variance With Amended Budget
Development - DDA/VCA Capital Project Fund				
Fund Balance - Beginning of year	\$ 800,097	\$ 800,097	\$ 1,300,648	\$ 500,551
Resources (inflows):				
Interest Income	50,000	50,000	12,328	(37,672)
Amounts available for appropriation	850,097	850,097	1,312,976	462,879
Charges to appropriations (outflows) - Development				
DDA/VCA Capital Project	850,097	850,097	150,883	699,214
Total charges to appropriations	850,097	850,097	150,883	699,214
Fund Balance - End of year	\$ -	\$ -	\$ 1,162,093	\$ 1,162,093

City of Wixom, Michigan

Other Supplemental Information



Fiduciary Fund
Statement of Changes in Assets and Liabilities
for the fiscal year ended June 30, 2008

	Balance July 1, 2007	Additions	Deductions	Balance June 30, 2008
Assets				
Cash and cash equivalents	\$ 832,454	\$ 42,029,182	\$ 42,243,284	\$ 618,353
Accounts Receivable	217	476	659	34
Total assets	832,671	42,029,658	42,243,943	618,387
Liabilities				
Due to other funds	\$ -	\$ 2,373,684	\$ 2,373,684	\$ -
Deposits and other liabilities	832,671	39,655,974	39,870,258	618,387
Total liabilities	<u>\$ 832,671</u>	<u>\$ 42,029,658</u>	<u>\$ 42,243,943</u>	<u>\$ 618,387</u>

City of Wixom, Michigan
Downtown Development Authority
Combining Statement of Net Assets
June 30, 2008



	DDA (Modified Accrual Basis)	Accrual adjustments	Full Accrual Basis
Assets			
Cash and investments	\$ 134,853	\$ -	\$ 134,853
Accounts receivable	5,626	-	5,626
Capital assets - Net	-	448,078	448,078
Total assets	140,479	448,078	588,557
Liabilities			
Long term debt	-	44,000	44,000
Total liabilities	-	44,000	44,000
Fund balance/ Net assets			
Fund balance - unreserved	140,479	(140,479)	-
Net assets:			
Invested in capital assets, net of related debt	-	404,078	404,078
Unrestricted	-	140,479	140,479
Total fund balance/ net assets	<u>\$ 140,479</u>	<u>\$ 404,078</u>	<u>\$ 544,557</u>

Combining Statement of Activities
Year ended June 30, 2007

	DDA (Modified Accrual Basis)	Accrual adjustments	Full Accrual Basis
Revenues:			
Property tax capture	\$ 254,744	\$ -	\$ 254,744
Interest income	4,734	-	4,734
Total revenue	259,478	-	259,478
Expenditures:			
Downtown development	6,405	-	6,405
Administrative	899	-	899
Contribution to City	237,706	-	237,706
Depreciation	-	25,220	25,220
Total expenditures	245,010	25,220	270,230
Change in fund balance/ net assets	14,468	(25,220)	(10,752)
Fund balance/ Net assets:			
Beginning of year	126,011	429,298	555,309
End of year	<u>\$ 140,479</u>	<u>\$ 404,078</u>	<u>\$ 544,557</u>

City of Wixom, Michigan
Local Development Finance Authority
Combining Statement of Net Assets
June 30, 2008



	LDFA (Modified Accrual Basis)	Accrual adjustments	Full Accrual Basis
Assets			
Cash and investments	\$ 3,525,736	-	\$ 3,525,736
Total assets	3,525,736	-	3,525,736
Liabilities			
Accounts payable	8,626	-	8,626
Total liabilities	8,626	-	8,626
Fund balance/ Net assets			
Fund balance - unreserved	3,517,110	(3,517,110)	-
Net assets:			
Unrestricted	-	3,517,110	3,517,110
Total fund balance/ net assets	\$ 3,517,110	\$ -	\$ 3,517,110

Combining Statement of Activities
Year ended June 30, 2007

	LDFA (Modified Accrual Basis)	Accrual adjustments	Full Accrual Basis
Revenues:			
Interest income	136,237	-	136,237
Expenditures:			
Public Works Expenditures	33,184	-	33,184
Change in fund balance/ net assets	103,053	-	103,053
Fund balance/ Net assets:			
Beginning of year	3,414,057	-	3,414,057
End of year	\$ 3,517,110	\$ -	\$ 3,517,110

Statistical Section

June 30, 2008

This part of the Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

The statistical section is organized into the following main categories:

Financial Trends - These schedules contain financial trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity - These schedules contain revenue information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity - These schedules contain debt capacity information to help the reader assess the affordability of the City's current levels of outstanding debt, and the City's ability to issue additional debt in the future.

Demographics and Economic Information - These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information - These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The City implemented GASB Statement 34 in 2004; schedules presenting government-wide information include information beginning in that year.

City of Wixom, Michigan

Net Assets by Component

Last Six Fiscal Years

	June 30					
	2003	2004	2005	2006	2007	2008
Governmental Activities						
Invested in capital assets - Net of related debt	\$27,643,583	\$28,805,520	\$24,764,536	\$29,466,163	\$31,546,198	\$31,371,870
Restricted	1,652,285	1,596,127	6,892,928	5,653,914	7,451,069	6,545,373
Unrestricted	2,624,089	2,684,098	3,601,867	3,948,124	3,767,042	5,835,281
Total Net Assets	31,919,957	33,085,745	35,259,331	39,068,201	42,764,309	43,752,524
Business-Type Activities						
Invested in capital assets - Net of related debt	38,875,514	39,657,144	40,213,251	41,189,253	41,806,613	42,708,561
Restricted	1,211,036	1,168,284	1,196,187	1,143,419	1,030,759	596,575
Unrestricted	10,122,807	9,989,738	10,388,014	10,828,759	11,034,157	13,103,924
Total Net Assets	50,209,357	50,815,166	51,797,452	53,161,431	53,871,529	56,409,060
Primary Government in Total						
Invested in capital assets - Net of related debt	66,519,097	68,462,664	64,977,787	70,655,416	73,352,811	73,320,874
Restricted	2,863,321	2,764,411	8,089,115	6,797,333	8,481,828	7,141,948
Unrestricted	12,746,896	12,673,836	13,989,881	14,776,883	14,801,199	19,698,762
Total Net Assets	\$82,129,314	\$83,900,911	\$87,056,783	\$92,229,632	\$96,635,838	\$100,161,584

City of Wixom, Michigan

Changes in Net Assets Governmental Activities

Last Six Fiscal Years

	Year Ended June 30					
	2003	2004	2005	2006	2007	2008
Expenses						
General government	\$2,758,567	\$2,687,637	\$2,921,913	\$2,538,344	\$2,338,463	\$4,240,934
Public Safety	3,412,961	3,540,770	3,814,070	3,777,247	3,961,579	4,287,129
Public works	4,695,373	3,275,746	3,583,028	6,880,440	4,338,637	4,292,285
Health and welfare	420,897	421,180	434,511	452,484	480,362	505,670
Recreation and culture	752,899	760,185	686,579	689,549	814,541	818,698
Interest on long-term debt	601,912	549,301	557,732	745,797	697,067	644,378
Total expenses	12,642,609	11,234,819	11,997,833	15,083,861	12,630,649	14,789,094
Program Revenues						
Charges for services:						
General government	38,838	128,897	133,607	203,170	227,324	233,200
Public safety	103,049	101,708	96,849	97,045	162,061	166,442
Public works	294,042	462,315	621,758	4,246,625	1,473,459	672,399
Health and welfare	415,315	443,715	450,891	459,615	472,432	489,648
Recreation and culture	288,788	251,438	197,286	209,845	241,015	223,153
Total charges for services	1,140,032	1,388,073	1,500,391	5,216,300	2,576,291	1,784,842
Operating grants and contributions	1,242,209	825,245	995,400	981,848	903,346	890,440
Capital grants and contributions	996,262	341,116	1,363,243	624,660	1,320,612	225,661
Total program revenues	3,378,503	2,554,434	3,859,034	6,822,808	4,800,249	2,900,943
Net Expense	-9,264,106	-8,680,385	-8,138,799	-8,261,053	-7,830,400	-11,888,151
General Revenue						
Taxes	7,447,805	8,266,596	8,499,148	8,747,222	9,107,246	9,689,543
State-shared revenue	1,475,681	1,145,786	1,143,954	1,121,576	1,088,234	1,089,023
Unrestricted interest earnings	176,278	165,605	375,349	631,714	945,427	593,185
Miscellaneous	250,765	265,435	272,228	181,879	385,601	254,615
Transfers in	0	0	0	0	0	1,250,000
Sale of capital asset	225	2,751	21,706	-70,895	0	0
Total general revenue	9,350,754	9,846,173	10,312,385	10,611,496	11,526,508	12,876,366
Transfers	0	0	0	0	0	0
Change in Net Assets	\$86,648	\$1,165,788	\$2,173,586	\$2,350,443	\$3,696,108	\$988,215

City of Wixom, Michigan

Changes in Net Assets Business-types Activities

Last Six Fiscal Years

	Year Ended June 30					
	2003	2004	2005	2006	2007	2008
Expenses						
Water	\$2,229,937	\$2,493,823	\$2,612,599	\$2,908,067	\$2,898,895	\$2,647,044
Sewer	1,552,886	1,540,899	1,622,250	1,693,678	1,674,257	1,785,727
Water-Interest on long-term debt	439,844	425,089	406,337	384,378	361,942	338,579
Sewer-Interest on long-term debt	177,797	154,233	130,237	105,662	80,575	82,306
Total expenses	4,400,464	4,614,044	4,771,423	5,091,785	5,015,669	4,853,656
Program Revenues						
Charges for services:						
Water	1,613,525	1,784,532	2,082,801	2,598,147	2,383,725	2,365,878
Sewer	964,633	840,249	917,355	1,057,666	921,465	981,738
Total charges for services	2,578,158	2,624,781	3,000,156	3,655,813	3,305,190	3,347,616
Operating grants and contributions	0	0	0	0	0	1,250,000
Capital grants and contributions	1,126,915	1,285,643	1,276,985	1,144,229	702,385	2,309,904
Total program revenues	3,705,073	3,910,424	4,277,141	4,800,042	4,007,575	6,907,520
Net Expense	-695,391	-703,620	-494,282	-291,743	-1,008,094	2,053,864
General Revenue						
Taxes	1,276,019	1,240,650	1,234,376	1,211,827	1,141,955	1,143,994
Unrestricted interest earnings	124,485	68,779	242,192	443,895	576,237	445,673
Gain on Sale of Capital Asset	0	0	0	0	0	144,000
Total general revenue	1,400,504	1,309,429	1,476,568	1,655,722	1,718,192	1,733,667
Transfers	0	0	0	0	0	1,250,000
Change in Net Assets	\$705,113	\$605,809	\$982,286	\$1,363,979	\$710,098	\$2,537,531

Changes in Fund Balances - Governmental Funds Activities

Last Ten Fiscal Years

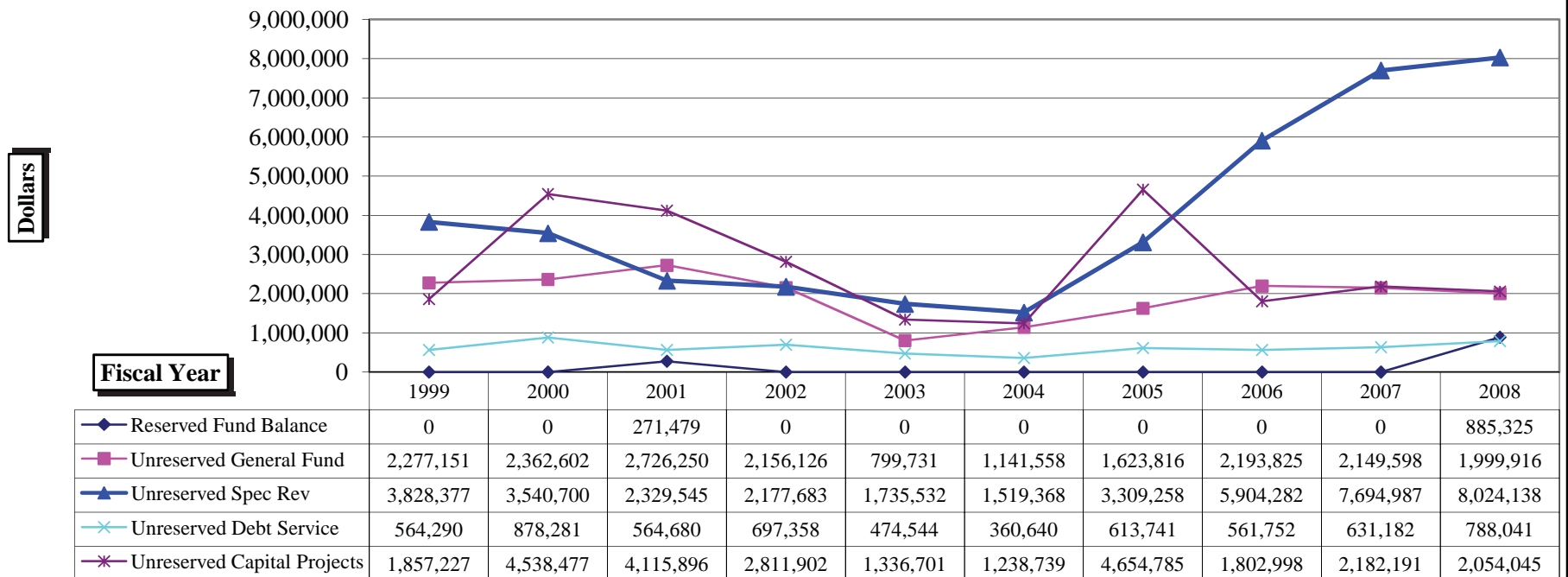
	Year Ended June 30									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenues										
Property taxes	\$6,723,485	\$6,599,763	6,778,447	\$7,565,218	\$7,391,143	\$8,214,016	\$8,470,713	8,729,655	8,974,644	9,302,904
Solid waste collection	376,770	377,932	332,706	371,315	413,390	443,809	449,831	456,753	466,236	486,442
Federal grants	292,530	267,353	79,625	156,686	71,415	56,449	10,750	22,279	71,896	83,479
State revenue	1,715,438	1,875,260	2,526,209	4,425,755	2,725,573	1,842,705	1,884,002	2,348,972	1,816,655	1,794,601
County grants	0	203,975	29,798	142,161	49,480	211,902	22,023	0	0	0
Component unit contributions	0	0	0	0	0	0	0	380,246	836,256	270,391
Charges for services	92,395	143,784	196,182	220,691	245,140	399,243	347,453	786,189	764,521	758,044
Fines and forfeits	52,314	48,652	48,695	55,773	55,161	50,943	44,102	56,622	63,853	77,042
Licenses and Permits	594,541	659,486	571,030	437,161	327,717	374,315	558,003	1,078,095	877,523	567,726
Rental income	74,959	81,773	90,912	80,537	96,699	106,417	296,365	92,768	115,337	87,830
Donations	124,346	1,356	14,916	9,772	31,396	64,745	141,938	289,547	263,915	202,113
Interest	800,776	876,345	1,010,272	373,942	176,279	165,606	375,350	631,715	945,429	593,184
Other Cost Adjustment	0	0	0	0	0	0	0	0	483,649	0
Other revenue	193,050	165,856	156,378	155,154	810,959	295,845	2,051,853	269,995	843,829	292,660
Total Revenue	11,040,604	11,301,535	11,835,170	13,994,165	12,394,352	12,225,995	14,652,383	15,142,836	16,523,743	14,516,416
Expenditures										
Current:										
Legislative	20,038	19,246	20,251	22,183	\$17,089	22,015	18,736	17,774	17,199	21,199
City Manager	298,735	338,964	342,932	365,494	377,199	379,882	420,517	423,459	438,871	443,222
Assessor	121,891	135,324	144,597	167,160	180,468	190,555	199,083	198,297	197,919	183,863
Legal assistance	203,300	131,657	229,620	201,459	211,862	199,161	119,351	119,342	76,402	80,425
Clerk	178,902	162,719	175,481	185,204	195,994	199,554	223,768	216,289	175,755	170,939
Information systems	49,952	75,531	112,742	124,401	116,634	128,592	125,570	132,918	135,537	123,589
Financial administration	265,796	285,571	273,718	317,934	348,969	356,424	384,106	395,741	391,965	414,779
General operating	250,627	273,477	314,850	285,751	366,428	369,253	955,404	599,024	583,722	453,668
City building maintenance	34,278	63,322	47,826	53,887	51,005	54,922	63,049	49,218	47,033	48,051
Boards and commissions	76,713	81,144	89,940	113,320	107,620	99,574	82,904	118,762	101,554	123,208
Cultural center	187,424	208,400	234,372	238,427	256,982	270,025	273,899	287,888	302,194	343,536
Community services/recreation	228,662	310,203	355,864	402,835	454,410	431,553	340,260	415,034	536,813	490,630
Department of Public Service	203,345	191,639	200,802	201,392	223,333	145,985	117,155	0	0	0
Fire Department	386,494	452,902	503,685	571,066	650,937	591,218	663,004	940,456	1,279,432	891,072
Police department	1,790,180	1,969,379	2,237,381	2,485,142	257,6048	2,717,925	2,962,298	3,014,668	3,092,600	3,171,205
Building department	457,875	563,430	575,580	510,410	552,620	512,454	582,213	1,255,448	990,796	820,701
Solid waste	305,478	331,185	368,698	400,239	420,897	421,180	434,511	452,484	480,361	505,670
Public works	836,964	831,799	936,675	978,684	1,136,383	1,128,077	1,238,868	1,615,273	1,762,484	1,903,766
Educational	0	0	0	0	0	0	0	21,394	23,181	0
Health Benefits-Retirees	0	0	0	0	0	0	0	0	0	1,805,530
Other capital improvements	4,109,404	2,972,126	3,741,462	6,613,083	567,2693	2,057,705	3,578,124	6,895,184	1,666,279	626,833
Debt service:										
Principal	530,000	610,000	690,000	860,000	960,000	1,025,000	715,000	1,260,000	1,320,000	1,395,000
Interest	736,212	697,412	842,161	648,932	613,606	558,144	411,968	741,353	708,546	656,023
Total Expenditures	11,272,270	10,705,430	12,438,637	15,747,003	15,491,177	11,859,198	13,909,788	19,170,006	14,328,643	14,672,909
Excess of Revenues Over (Under) Expenditures	-231,666	596,105	-603,467	-1,752,838	-3,096,825	366,797	742,595	-4,027,170	2,195,100	-156,493
Other Financing Sources (Uses)										
Transfers in	5,015,301	4,127,136	3,310,846	6,431,976	544,1395	2,683,223	2,500,121	2,646,131	4,377,762	3,862,183
Transfers out	-5,022,801	-4,122,975	-3,318,086	-6,431,976	-544,1395	-2,683,223	-2,500,121	-2,646,131	-4,377,762	-2,612,183
Transfers from component units	34,126		42,658	7,272						
Transfers to component units	-364,416	-396,101	-390,161	-419,215	-447,805	-453,000				
Payment to escrow agent			-3,089,344				-3,512,000			
Issuance of debt		2,588,850	2,735,344				8,710,700	2,830,000		
Total Other Financing Sources (Uses)	-337,790	2,196,910	-708,743	-411,943	-447,805	-453,000	5,198,700	2,830,000	0	1,250,000
Transfers in Residual Equity										
Net Change in Fund Balances	-569,456	2,793,015	-1,312,210	-2,164,781	-354,4630	-86,203	5,941,295	-1,197,170	2,195,100	1,093,507
Fund Balances - Beginning of Year	9,096,501	8,527,045	11,320,060	10,007,850	7,843,069	4,346,508	4,260,305	10,201,600	10,462,858	12,657,958
Cemetery Fund - Beginning					48,069					
Special Agency - Beginning								1,458,428		
Fund Balances - End of Year	8,527,045	11,320,060	10,007,850	7,843,069	4,346,508	4,260,305	10,201,600	10,462,858	12,657,958	13,751,465
Debt Service as a Percentage of Noncapital Expenditures	18%	17%	18%	17%	16%	16%	11%	16%	16%	15%

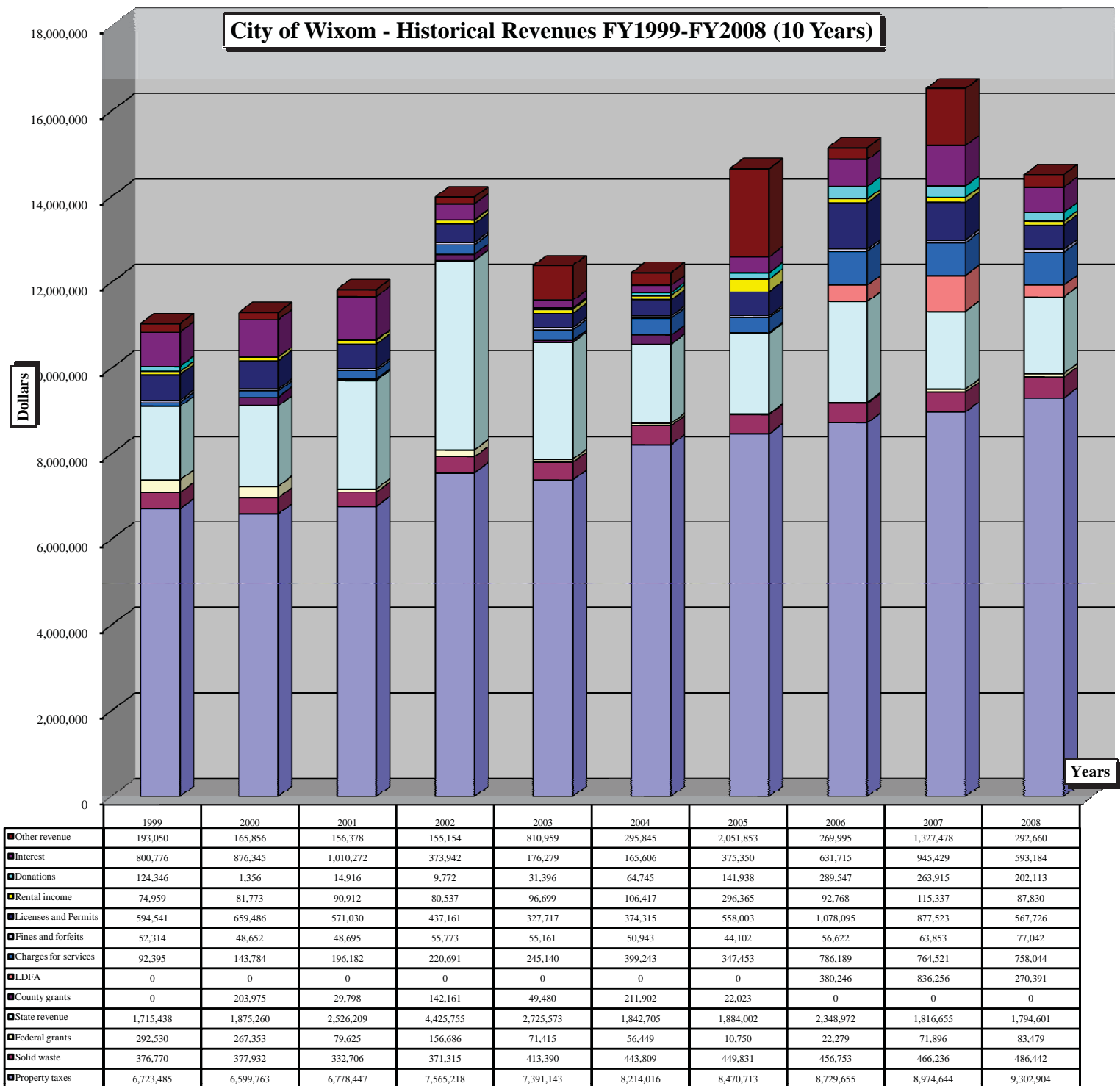
City of Wixom, Michigan

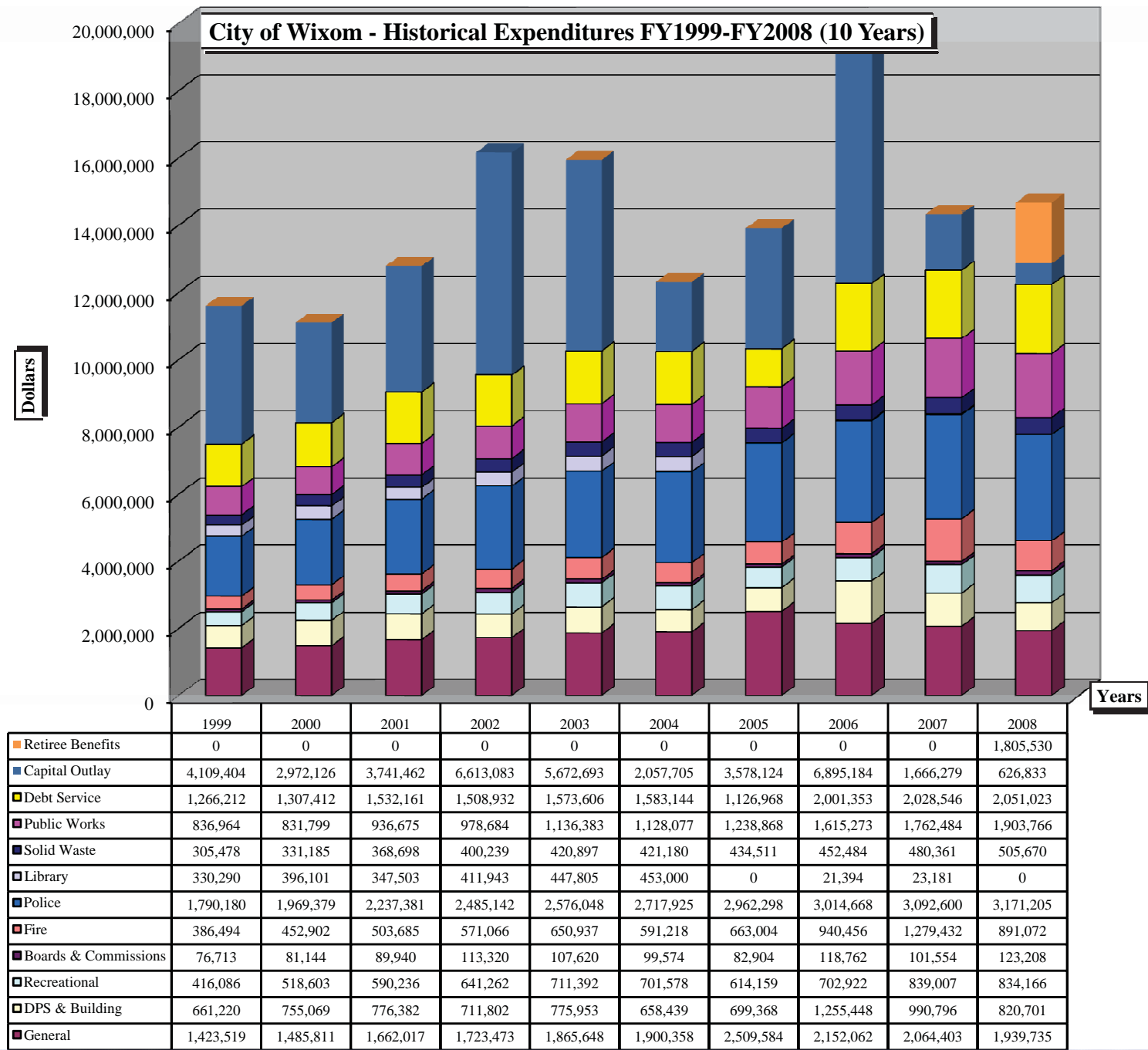
Fund Balance - Governmental Funds - Last Ten Fiscal Years

Fiscal Year Ended June-30	Reserved General Fund	Reserved Other Funds	Reserved Fund Balance	Unreserved General Fund	Unreserved Special Revenue	Unreserved Debt Service	Unreserved Capital Projects	Unreserved Fund Balance	Total Fund Balance
1999	0	0	0	2,277,151	3,828,377	564,290	1,857,227	8,527,045	8,527,045
2000	0	0	0	2,362,602	3,540,700	878,281	4,538,477	11,320,060	11,320,060
2001	0	271,479	271,479	2,726,250	2,329,545	564,680	4,115,896	9,736,371	10,007,850
2002	0	0	0	2,156,126	2,177,683	697,358	2,811,902	7,843,069	7,843,069
2003	0	0	0	799,731	1,735,532	474,544	1,336,701	4,346,508	4,346,508
2004	0	0	0	1,141,558	1,519,368	360,640	1,238,739	4,260,305	4,260,305
2005	0	0	0	1,623,816	3,309,258	613,741	4,654,785	10,201,600	10,201,600
2006	0	0	0	2,193,825	5,904,282	561,752	1,802,998	10,462,857	10,462,857
2007	0	0	0	2,149,598	7,694,987	631,182	2,182,191	12,657,958	12,657,958
2008	0	0	885,325	1,999,916	8,024,138	788,041	2,054,045	12,866,140	13,751,465

Fund Balance - Governmental Funds (Last Ten Fiscal Years)



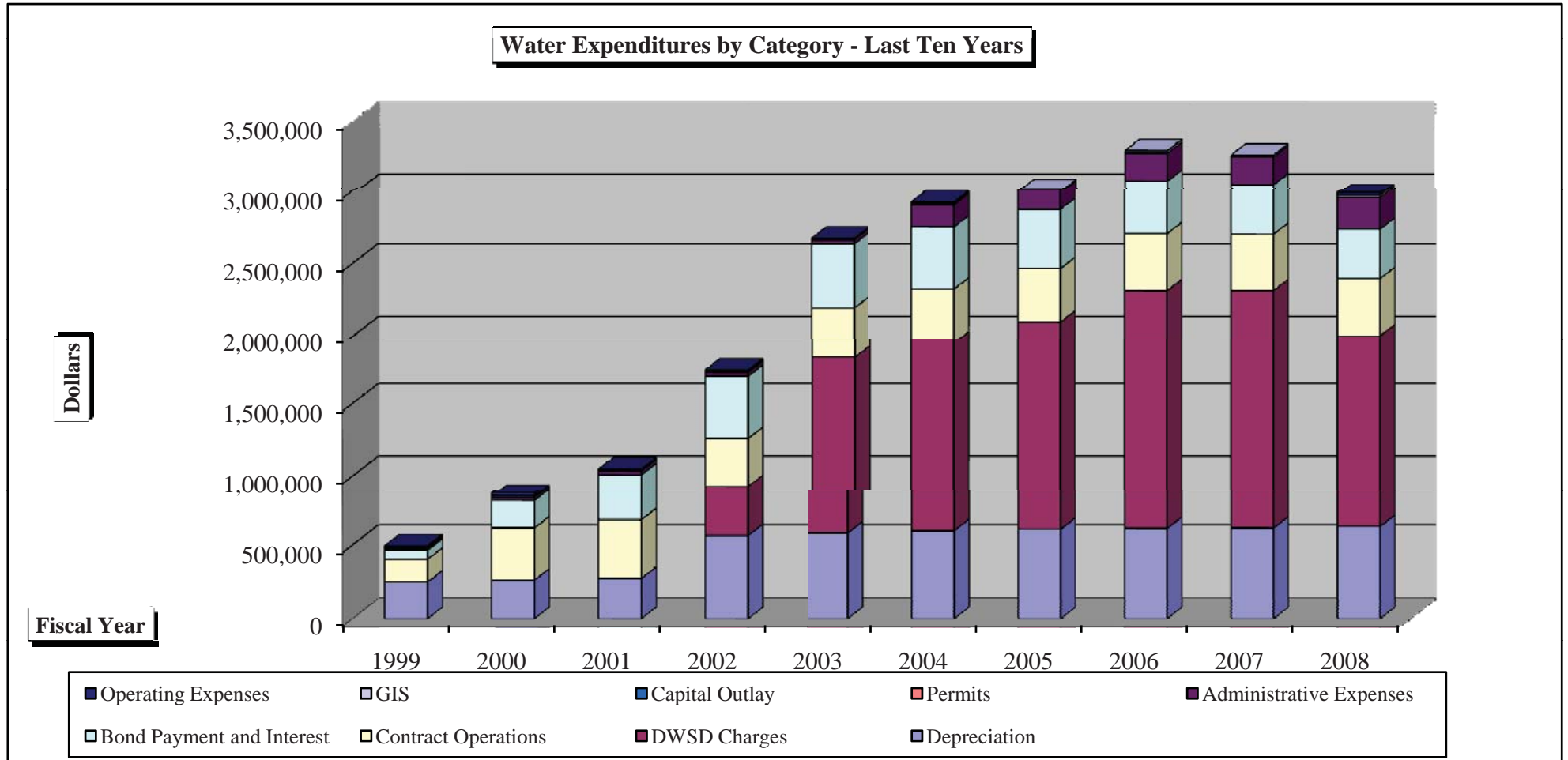




City of Wixom, Michigan

Water-Enterprise Fund - Water Expenditures by Category - Last Ten Years

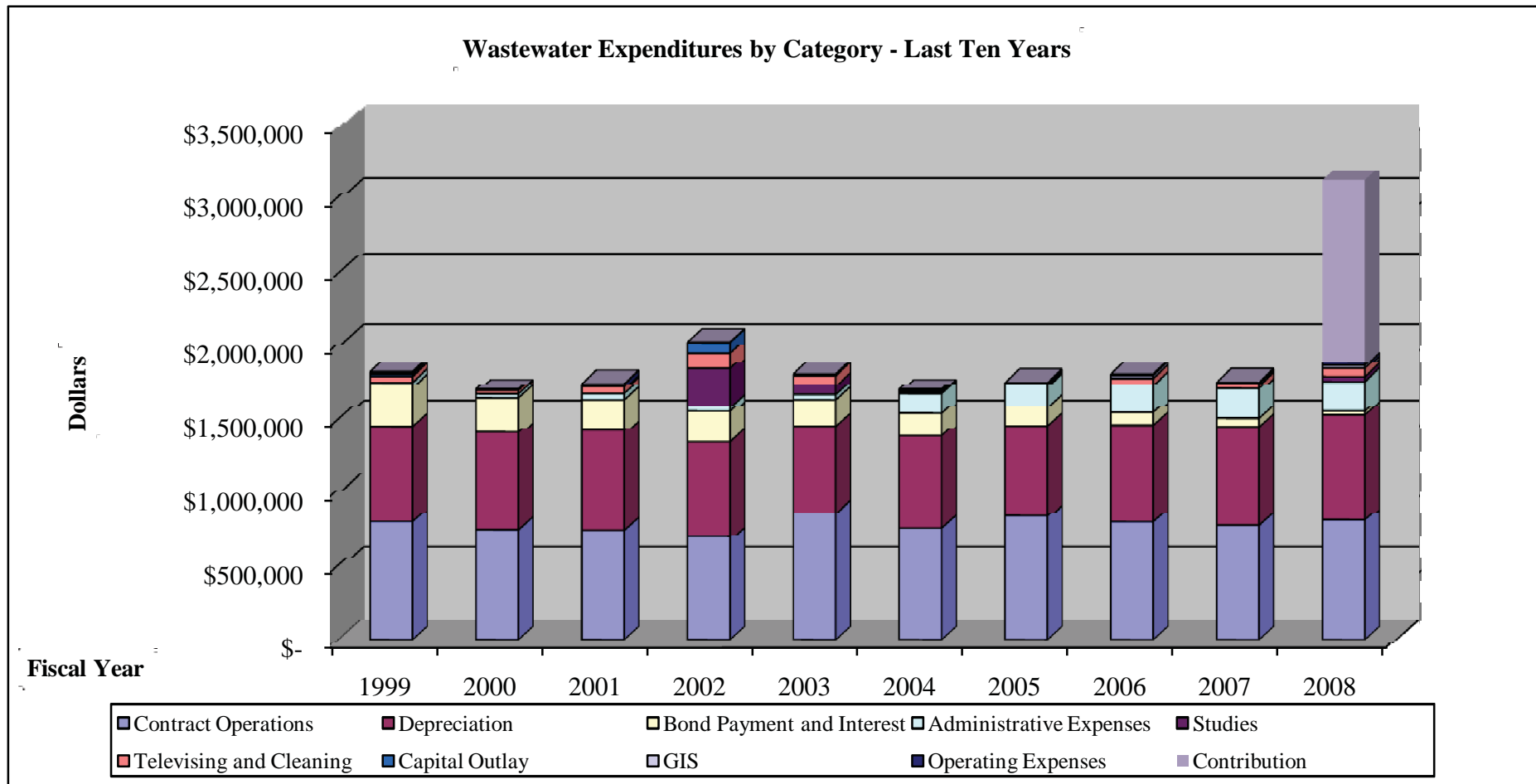
Account Type	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
Depreciation	\$ 247,692	\$ 260,447	\$ 271,849	\$ 562,697	\$ 579,515	\$ 595,174	\$ 605,276	\$ 610,768	\$ 613,058	\$ 623,350	\$ 4,969,826
DWSD Charges	-	-	-	363,815	1,238,109	1,358,007	1,492,675	1,701,576	1,700,316	1,379,708	\$ 9,234,206
Contract Operations	153,787	353,146	397,610	331,189	375,901	370,409	366,492	390,499	386,289	392,288	\$ 3,517,610
Bond Payment and Interest	61,384	188,657	337,185	428,146	439,844	425,089	406,337	384,378	361,942	338,579	\$ 3,371,541
Administrative Expenses	6,454	19,585	25,963	24,308	27,393	150,987	139,111	188,081	185,901	217,581	\$ 985,364
Permits	-	-	-	-	-	-	-	-	-	-	\$ -
Capital Outlay	5,683	12,232	-	11,754	-	12,145	-	-	-	-	\$ 41,814
GIS	11,011	3,069	6,837	804	7,619	6,800	9,046	17,144	13,331	16,936	\$ 92,597
Operating Expenses	5,750	17,152	5,650	5,500	1,400	300	-	-	-	17,181	\$ 52,933
Total	\$491,761	\$854,288	\$1,045,094	\$1,728,213	\$2,669,781	\$2,918,911	\$3,018,937	\$3,292,446	\$3,260,837	\$2,985,623	\$22,265,891



City of Wixom, Michigan

Wastewater Enterprise Fund - Wastewater Expenditures by Category - Last Ten Years

Account Type	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
Contract Operations	\$ 799,805	\$ 751,411	\$ 748,376	\$ 688,759	\$ 862,584	\$ 761,880	\$ 833,409	\$ 798,942	\$ 778,241	\$ 810,089	\$7,833,496
Depreciation	655,801	647,144	661,854	655,252	594,590	616,659	625,193	663,912	674,728	712,883	\$6,508,016
Bond Payment and Interest	269,547	247,370	224,140	200,925	177,797	154,233	130,237	75,662	50,575	22,306	\$1,552,792
Administrative Expenses	29,901	22,547	36,016	42,865	30,050	136,966	140,547	199,132	196,597	215,090	\$1,049,711
Studies	-	-	-	243,456	68,875	-	-	-	-	25,820	\$ 338,151
Televising and Cleaning	31,880	20,756	41,027	109,576	58,028	9,119	8,350	39,047	35,860	46,606	\$ 400,249
Capital Outlay	13,250	5,834	-	85,948	-	3,933	-	-	-	-	\$ 108,965
Transfer to Bdgt Stabilization	-	-	-	-	-	-	-	-	-	1,250,000	\$1,250,000
GIS	11,953	-	6,837	804	7,636	6,800	9,252	17,144	13,331	16,936	\$ 90,693
Operating Expenses	-	-	27,722	-	-	5,541	5,500	5,500	5,500	18,303	\$ 68,066
Total	\$1,812,137	\$1,695,062	\$1,745,972	\$2,027,585	\$1,799,560	\$1,695,131	\$1,752,488	\$1,799,339	\$1,754,832	\$3,118,033	\$19,200,139

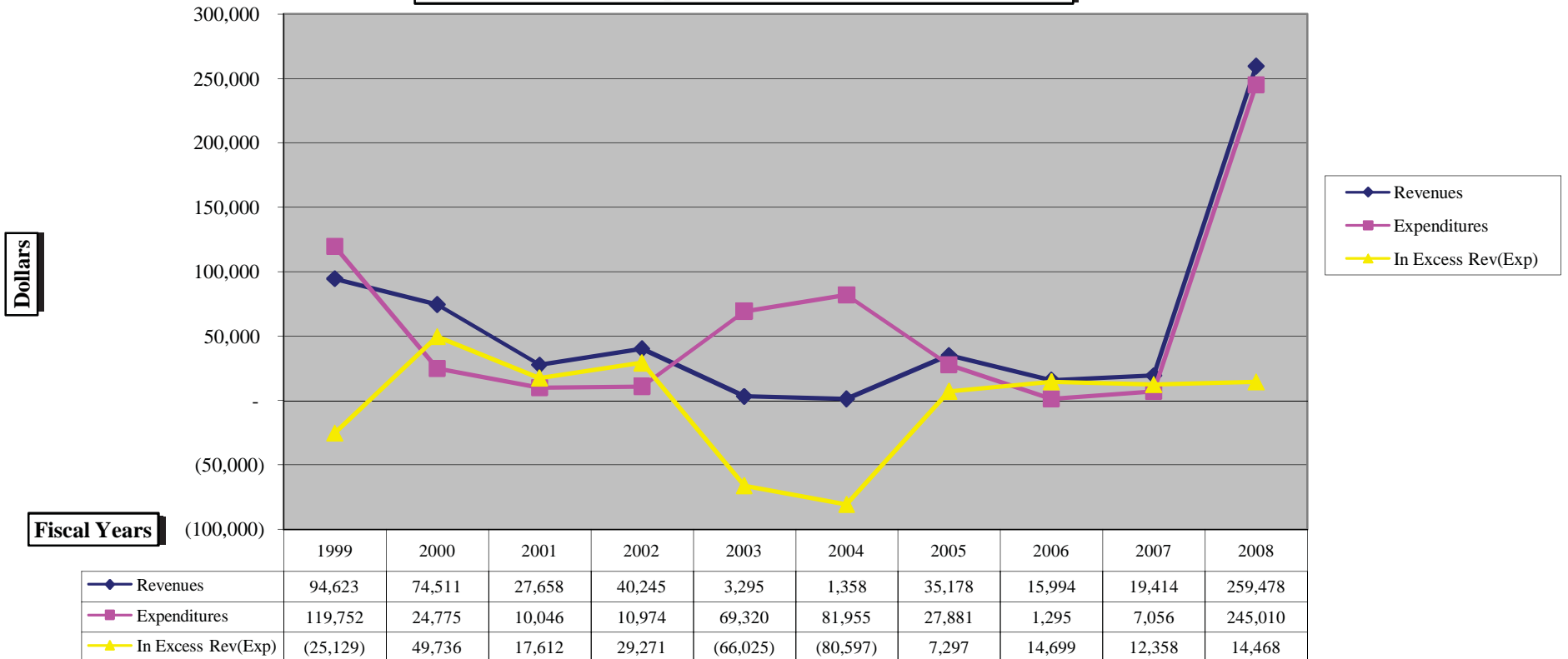


City of Wixom, Michigan

DDA Fund - Revenue and Expenditures by Category (Component Unit) - Last Ten Years

Account Category	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total	Percent
Revenues												
Property Taxes	35,453	42,876	50,393	36,050	639	-	20,393	11,766	13,280	254,744	465,594	81.43%
Contribution Other Funds	49,587	25,457	(32,494)	-	-	-	-	-	-	-	42,550	7.44%
Interest & Other	8,083	4,678	9,759	4,195	2,656	1,358	14,785	4,228	6,134	4,734	60,610	10.60%
Private Contributions	1,500	1,500	-	-	-	-	-	-	-	-	3,000	0.52%
Total Revenues	94,623	74,511	27,658	40,245	3,295	1,358	35,178	15,994	19,414	259,478	571,754	100.00%
Expenditures												
Salary and Wages	309	122	148	208	165	152	-	-	96	149	1,349	0.23%
Audit Fee	500	500	500	500	500	750	750	750	750	750	6,250	1.05%
Capital Outlay	\$ 118,943	\$ 24,153	\$ 9,398	\$ 10,266	\$ 68,655	\$ 81,053	\$ 27,131	\$ 545	\$ 3,210	\$ 6,405	349,759	58.48%
Interfund Transfers	-	-	-	-	-	-	-	-	3,000	237,706	240,706	40.25%
Total Expenditures	119,752	24,775	10,046	10,974	69,320	81,955	27,881	1,295	7,056	245,010	598,064	100.00%
In Excess	(25,129)	49,736	17,612	29,271	(66,025)	(80,597)	7,297	14,699	12,358	14,468	(26,310)	

DDA - Revenue and Expenditures Summary - Last Ten Years

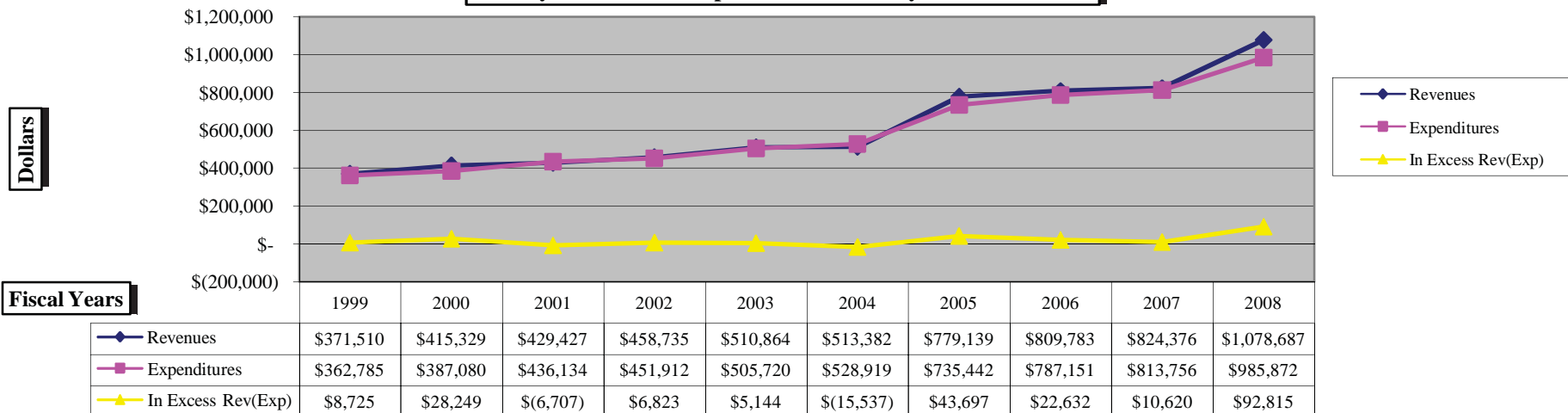


City of Wixom, Michigan

Library Fund - Revenue and Expenditures by Category (Component Unit) - Last Ten Years

Account Category	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total	Percent
Revenues												
Contribution Other Funds	\$ 314,829	\$ 370,644	\$ 390,161	\$ 419,215	\$ 449,305	\$ 454,500	\$ 1,500	\$ 2,000	\$ 2,500	\$ 2,503	\$ 2,407,157	38.88%
Property Taxes	-	-	-	-	-	-	721,677	745,305	752,311	1,002,434	3,221,727	52.04%
Grants	32,293	20,250	11,160	9,815	14,665	19,105	15,018	12,938	12,593	12,659	160,496	2.59%
State Revenue	11,337	10,702	11,368	11,808	20,559	20,350	19,010	17,725	20,746	19,986	163,591	2.64%
Miscellaneous Revenue	8,656	10,736	12,149	14,449	15,664	16,239	15,814	13,507	13,539	18,345	139,098	2.25%
Private Contributions	2,147	359	1,733	1,829	9,646	2,789	668	4,369	2,169	870	26,579	0.43%
Interest	2,248	2,638	2,856	1,619	1,025	399	5,452	13,939	20,518	21,890	72,584	1.17%
Total Revenue	\$ 371,510	\$ 415,329	\$ 429,427	\$ 458,735	\$ 510,864	\$ 513,382	\$ 779,139	\$ 809,783	\$ 824,376	\$ 1,078,687	\$ 6,191,232	100.00%
Expenditures												
Salary and Wages	\$ 144,296	\$ 179,240	\$ 204,605	\$ 220,758	\$ 253,507	\$ 265,468	\$ 271,804	\$ 275,896	\$ 286,603	\$ 310,573	\$ 2,412,750	40.25%
Capital Outlay	49,892	56,554	60,208	61,160	61,426	54,710	51,179	78,452	80,416	225,163	779,160	13.00%
Fringes Benefits	38,703	52,050	55,188	61,537	71,281	80,664	81,359	68,673	67,395	78,906	655,756	10.94%
Professional & Contractual	35,932	43,204	45,970	40,049	48,269	47,515	45,926	48,879	47,108	56,426	459,278	7.66%
Public Utilities and Telephone	41,247	36,178	38,682	37,940	44,323	40,015	47,714	44,653	40,120	46,404	417,276	6.96%
Contribution Other Funds	34,126	-	10,164	7,272	5,200	18,152	11,898	21,394	53,048	29,867	191,121	3.19%
Rent	-	-	-	-	-	-	202,280	190,243	178,693	170,119	741,335	12.37%
Operating Expenses	8,766	8,994	9,164	9,900	8,372	8,022	8,469	33,275	32,108	19,941	147,011	2.45%
Community Programming	4,240	5,154	4,242	4,451	4,693	3,696	4,236	6,322	5,533	8,605	51,172	0.85%
Insurance Expense	2,371	2,572	4,439	4,489	5,000	4,924	4,920	6,500	9,323	11,840	56,378	0.94%
Repair and Maintenance	2,712	2,634	2,972	3,856	3,149	5,253	5,157	12,364	12,909	27,528	78,534	1.31%
Audit Fee	500	500	500	500	500	500	500	500	500	500	5,000	0.08%
Total Expenditures	\$ 362,785	\$ 387,080	\$ 436,134	\$ 451,912	\$ 505,720	\$ 528,919	\$ 735,442	\$ 787,151	\$ 813,756	\$ 985,872	\$ 5,994,771	100.00%
In Excess	\$ 8,725	\$ 28,249	\$ (6,707)	\$ 6,823	\$ 5,144	\$ (15,537)	\$ 43,697	\$ 22,632	\$ 10,620	\$ 92,815	\$ 196,461	

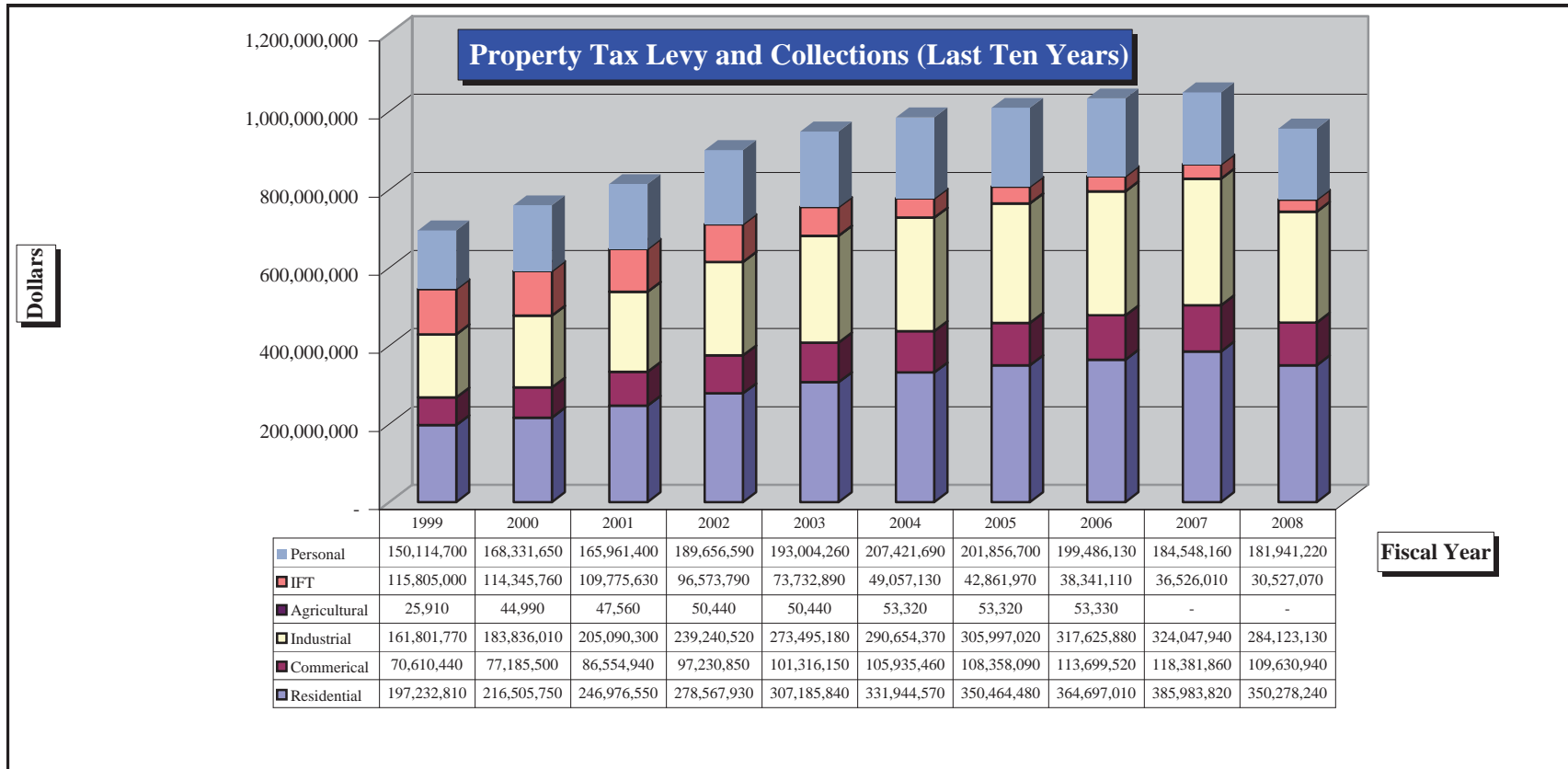
Library Revenue and Expenditures Summary - Last Ten Years



City of Wixom, Michigan

Taxable Property Values - Last Ten Fiscal Years

Fiscal Year Ended							Total	Tax Rate	Estimated
June-30	Residential	Commerical	Industrial	Agricultural	IFT	Personal	Value	(Mills)	Actual
									Value
1999	197,232,810	70,610,440	161,801,770	25,910	115,805,000	150,114,700	637,688,130	11.0815	1,275,376,260
2000	216,505,750	77,185,500	183,836,010	44,990	114,345,760	168,331,650	703,076,780	10.5257	1,406,153,560
2001	246,976,550	86,554,940	205,090,300	47,560	109,775,630	165,961,400	759,518,565	10.9035	1,519,037,130
2002	278,567,930	97,230,850	239,240,520	50,440	96,573,790	189,656,590	853,033,225	11.4564	1,706,066,450
2003	307,185,840	101,316,150	273,495,180	50,440	73,732,890	193,004,260	911,918,315	10.6883	1,823,836,630
2004	331,944,570	105,935,460	290,654,370	53,320	49,057,130	207,421,690	960,537,975	11.1433	1,921,075,950
2005	350,464,480	108,358,090	305,997,020	53,320	42,861,970	201,856,700	988,160,595	11.7923	1,976,321,190
2006	364,697,010	113,699,520	317,625,880	53,330	38,341,110	199,486,130	1,014,732,425	11.6363	2,029,464,850
2007	385,983,820	118,381,860	324,047,940	-	36,526,010	184,548,160	1,031,224,785	11.5214	2,062,449,570
2008	350,278,240	109,630,940	284,123,130	-	30,527,070	181,941,220	941,237,065	10.6564	1,882,474,130

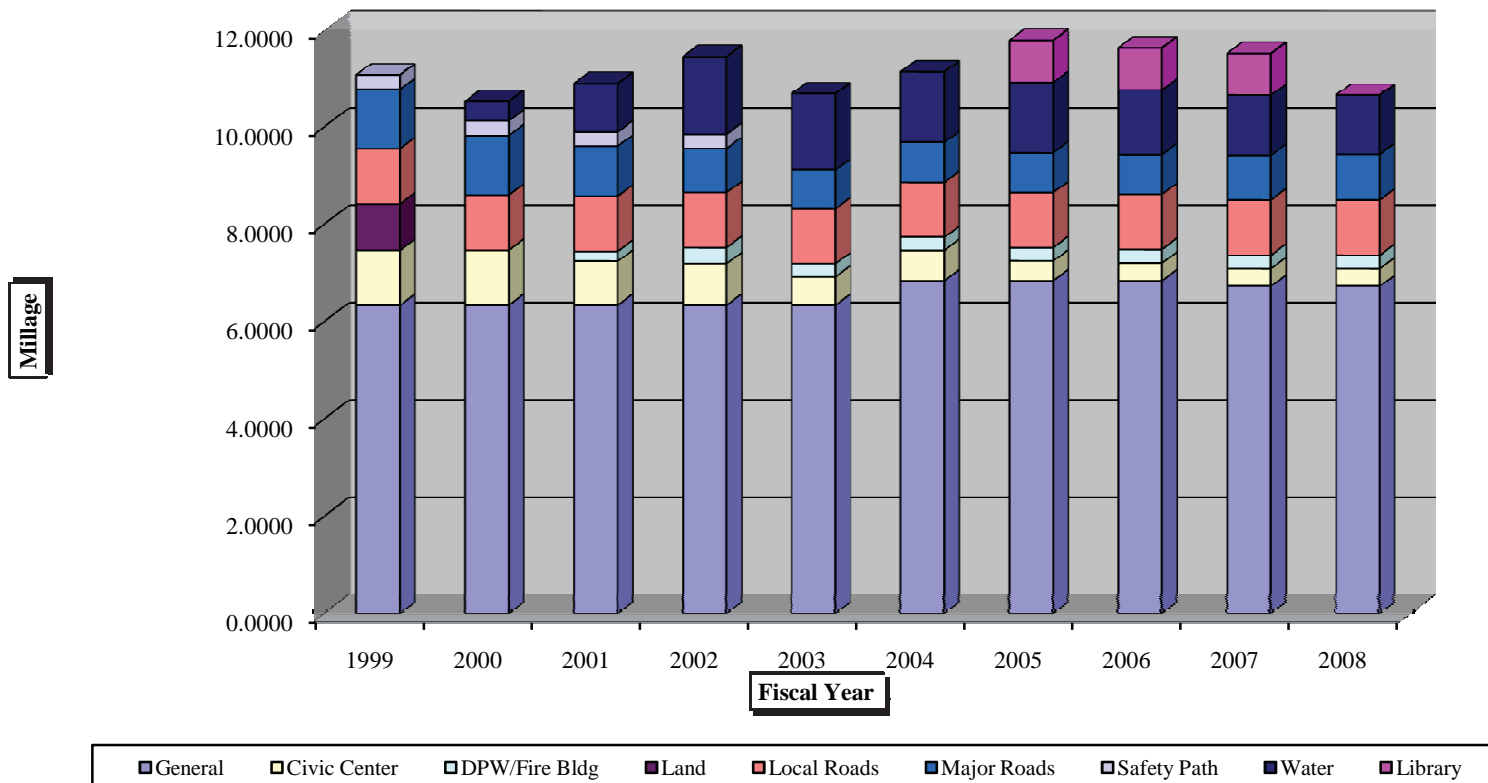


City of Wixom, Michigan

Property Tax Rates - Direct Millage (Per \$1,000 of Assessed Value. Last Ten Years)

Year Ended June-30	General Operating	Civic Center	DPW / Fire Bldg	Land Acquisition	Local Road	Major Road	Safety Path	Water Utility System	Library	Total	Headlee Limit	Headlee Limit over Millage
1999	6.3469	1.1222		0.9558	1.1314	1.2300	0.2952			11.0815	7.6000	1.2531
2000	6.3469	1.1222			1.1314	1.2300	0.2952	0.4000		10.5257	7.5999	1.2530
2001	6.3469	0.9000	0.2000		1.1314	1.0300	0.2952	1.0000		10.9035	7.5649	1.2180
2002	6.3469	0.8500	0.3255		1.1314	0.9074	0.2952	1.6000		11.4564	7.5649	1.2180
2003	6.3469	0.5800	0.2700		1.1314	0.7900		1.5700		10.6883	7.5452	1.1983
2004	6.8469	0.6200	0.2700		1.1314	0.8200		1.4550		11.1433	7.5429	0.6960
2005	6.8469	0.4040	0.2700		1.1314	0.8200		1.4550	0.8650	11.7923	7.5429	0.6960
2006	6.8469	0.3600	0.2798		1.1314	0.8200		1.3332	0.8650	11.6363	7.5429	0.6960
2007	6.7320	0.3600	0.2798		1.1314	0.9200		1.2332	0.8650	11.5214	7.5429	0.8109
2008	6.7320	0.3600	0.2800		1.1314	0.9400		1.2130	0.0000	10.6564	7.5429	0.8109

City Property Tax Rates - Direct Millage (Per \$1,000 of Assessed Value. Last Ten Years)

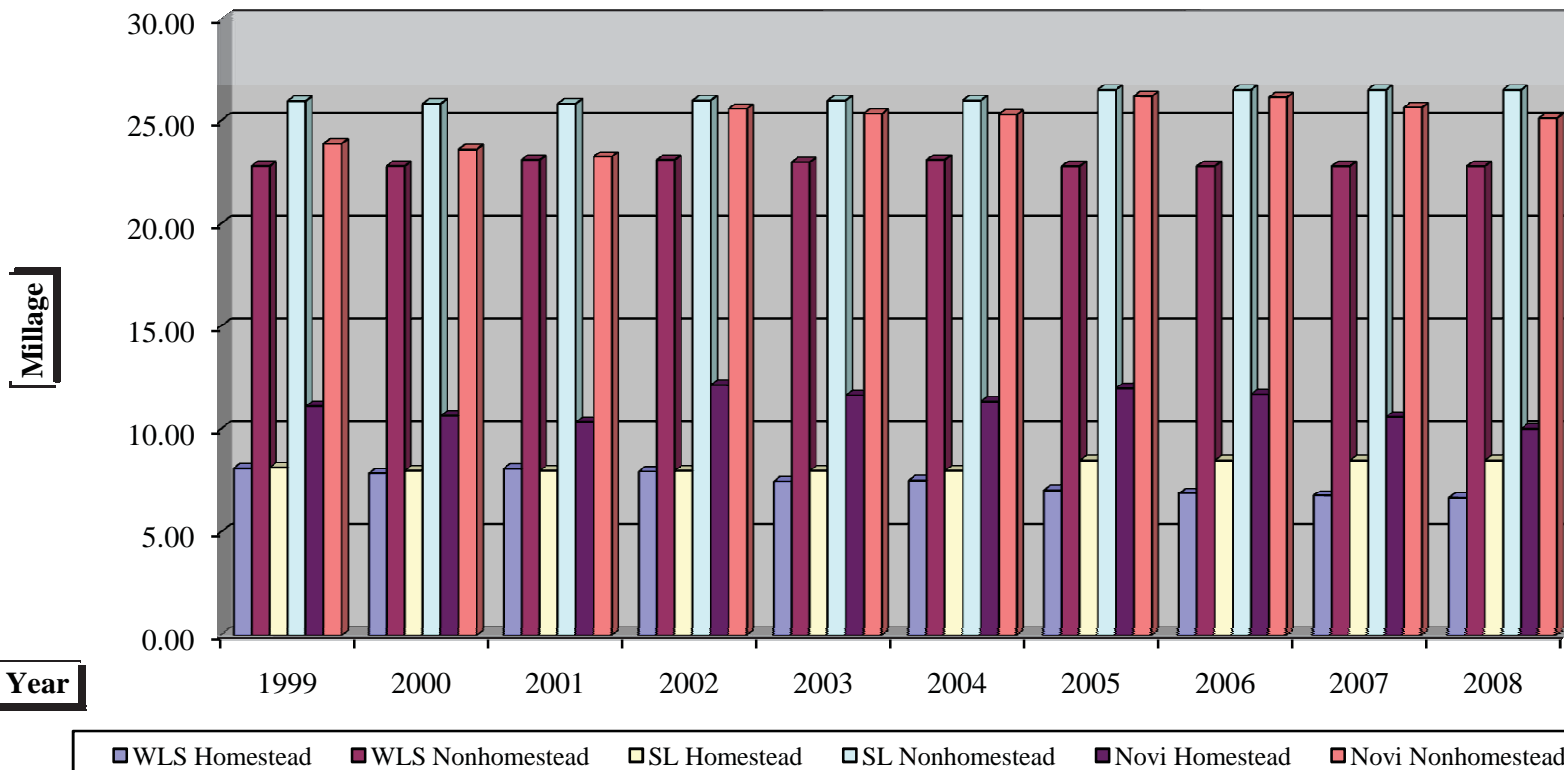


City of Wixom, Michigan

Property Tax Rates - Overlapping Government (Per \$1,000 of Assessed Value. Last Ten Years)

Year Ended June-30	Walled Lake Schools Homestead	Walled Lake Schools Nonhomestead	South Lyon Schools Homestead	South Lyon Schools Nonhomestead	Novi Schools Homestead	Novi Schools Nonhomestead
1999	8.1074	22.8000	8.1500	25.9769	11.1213	23.8950
2000	7.8520	22.8000	8.0000	25.8524	10.6785	23.6208
2001	8.0982	23.1000	8.0000	25.8524	10.3582	23.2663
2002	7.9538	23.1000	8.0000	26.0000	12.1574	25.6000
2003	7.4728	22.9884	8.0000	26.0000	11.6782	25.3453
2004	7.5248	23.1000	8.0000	26.0000	11.3460	25.3049
2005	7.0548	22.7900	8.5000	26.5000	12.0034	26.2034
2006	6.8975	22.7900	8.5000	26.5000	11.7194	26.1532
2007	6.7841	22.7900	8.5000	26.5000	10.6182	25.6732
2008	6.6700	22.7900	8.5000	26.5000	10.0182	25.1332

School Property Tax Rates - Overlapping Government Millage (Per \$1,000 of Assessed Value. Last Ten Years)



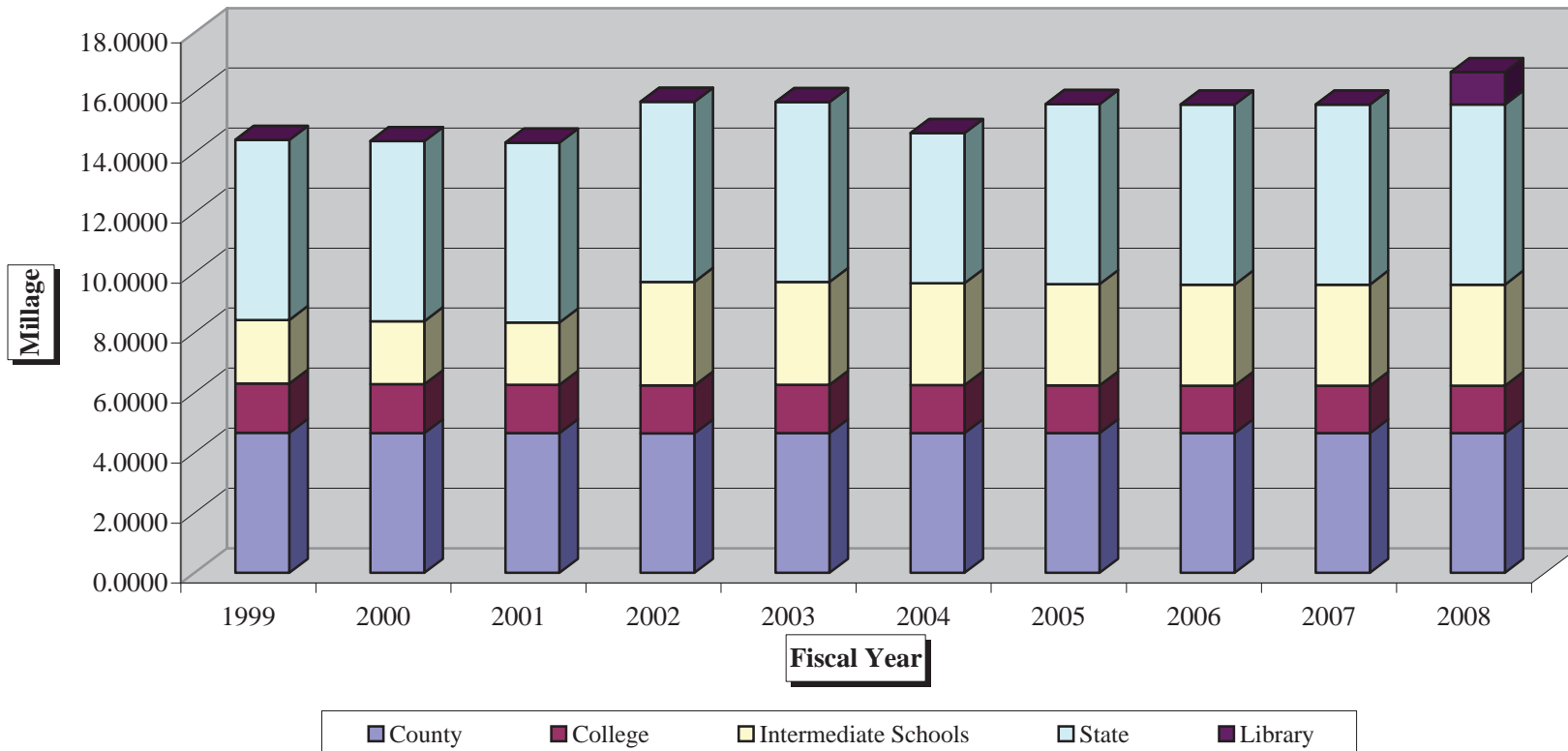
City of Wixom, Michigan

Property Tax Rates - Overlapping Government (Per \$1,000 of Assessed Value. Last Ten Fiscal Years - Continued)

Fiscal Year Ended June-30	Oakland County	Oakland Community College	Oakland Intermediate Schools	PA 164 Sec. 10a Library	State Education
1999	4.6564	1.6456	2.1208	0.0000	6.0000
2000	4.6522	1.6295	2.0998	0.0000	6.0000
2001	4.6478	1.6109	2.0752	0.0000	6.0000
2002	4.6438	1.5952	3.4526	0.0000	6.0000
2003	4.6523	1.6090	3.4224	0.0000	6.0000
2004	4.6497	1.5983	3.3991	0.0000	5.0000
2005	4.6476	1.5889	3.3789	0.0000	6.0000
2006	4.6461	1.5844	3.3690	0.0000	6.0000
2007	4.6461	1.5844	3.3690	0.0000	6.0000
2008	4.6461	1.5844	3.3690	1.0800	6.0000

(I) The State passed legislation on April 30, 2002 to require the levying of the State Education Tax (SET) on subsequent summer tax bills only. A one-time reduction from 6 mills to 5 mills was offered during the 2003 tax year to assist taxpayers with the transition to the new collection cycle. The citizens voted on November 7, 2006 to allow the Library to levy a separate millage of 1.08 mills for operations and capital needs for the period of 10 years. The Library will be governed under Michigan Public Act 164, Section 10a.

Other Property Tax Rates-Overlapping Government (Per \$1,000 of Assessed Value. Last Ten Years)



City of Wixom, Michigan

List of Principal Taxpayers - June 30, 2008

Taxpayer	2007 Taxable Value Ad Valorem	2007 Taxable Value IFT	Taxable Value Percent	1998 Taxable Value Ad Valorem	1998 Taxable Value IFT	Percentage of Total	1998 Rank
Ford Motor Company	76,367,660	18,234,610	10.05%	164,781,910	108,058,250	42.79%	1
Edward Rose & Sons	35,211,220		3.74%	31,467,050		4.93%	2
General Motor Corp.	24,648,880		2.62%			0.00%	Below Top 20
Dart Container Corp.	14,420,210		1.53%	11,238,180		1.76%	4
USRHPC, Inc. / New Bright Industries	12,059,380		1.28%	12,198,250		1.91%	3
Alpha Drive Development	9,818,430		1.04%			0.00%	Below Top 20
Quadrants / WGC / Fifty-Eight LLC	9,724,130		1.03%	7,974,130		1.25%	5
Exatec, Inc.	1,847,620	7,419,330	0.98%			0.00%	Below Top 20
International Transmission	8,886,730		0.94%			0.00%	Below Top 20
Meijer's	8,200,160		0.87%	7,906,210		1.24%	6
Detroit Edison Company	7,500,010		0.80%	7,532,650		1.18%	7
David J Connell Trust / Adept Plastics	7,390,220		0.79%			0.00%	Below Top 20
Beck Business Center	7,008,320		0.74%			0.00%	Below Top 20
NGK Spark Plug	6,788,190		0.72%	2,929,690		0.46%	13
Lakeside-Oakland Development	6,494,330		0.69%	4,748,860		0.74%	10
Korex Corporation	6,363,100		0.68%	5,769,880		0.90%	9
Mac-Valves Inc. / Great Lakes Rubber	5,550,520		0.59%	6,302,810	2,010,350	1.30%	8
Meadowood Apts.	5,320,000		0.57%	4,728,720		0.74%	11
Helfer Leisure Cooperative	5,069,940		0.54%	3,932,540		0.62%	12
B & V Construction	5,033,860		0.53%	2,770,410		0.43%	17
Total List of Major Taxpayers	263,702,910	25,653,940	30.74%	274,281,290	110,068,600	60.3%	
Total Taxable Value	941,237,065			637,688,130			
Percent by Tax Category	29.38%			51.64%			

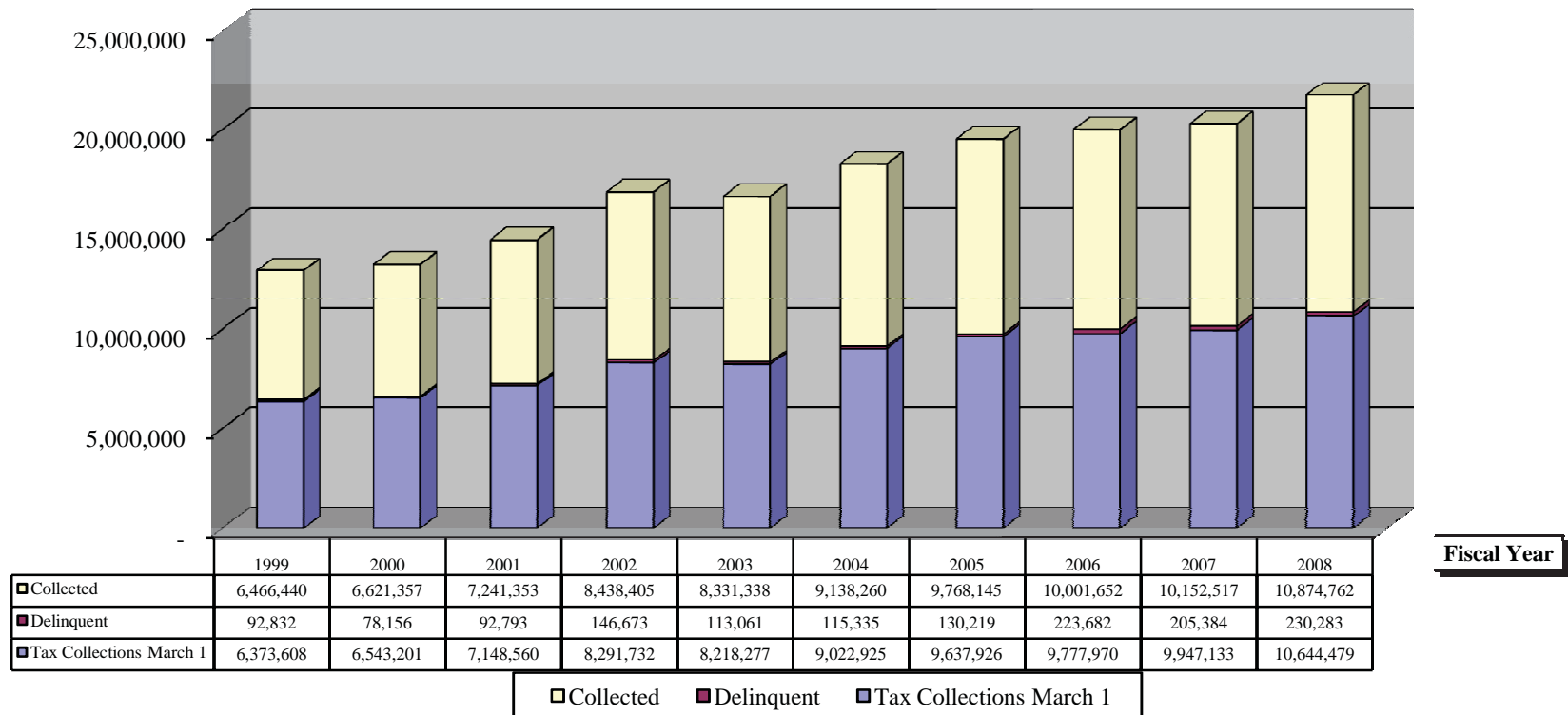
Top 10 Taxpayers Valuation in 1998 was \$314,954,230 or 49.39% of \$637,688,130 total valuation. This compares with 22.34% for FY 2007. The decline in this percent is a natural consequence of the growth in industrial construction over the 10 year period. It is estimated that Ford Motor Company's reduction in taxable value percent will change to less than 5.0% over the next several years.

City of Wixom, Michigan

Property Tax Levy and Collections - Last Ten Fiscal Years

Fiscal Year Ended June-30	Total Tax Levy	Current Collections to March 1	Percent of Levy Collected	Delinquent Collections	Total Tax Collections	Percent of Total Collections to Tax Levy
1999	6,512,788	6,373,608	97.86%	92,832	6,466,440	99.29%
2000	6,671,721	6,543,201	98.07%	78,156	6,621,357	99.25%
2001	7,301,614	7,148,560	97.90%	92,793	7,241,353	99.17%
2002	8,517,172	8,291,732	97.35%	146,673	8,438,405	99.08%
2003	8,460,467	8,218,277	97.14%	113,061	8,331,338	98.47%
2004	9,271,867	9,022,925	97.32%	115,335	9,138,260	98.56%
2005	9,877,265	9,637,926	97.58%	130,219	9,768,145	98.90%
2006	10,126,397	9,777,970	96.56%	223,682	10,001,652	98.77%
2007	10,217,362	9,947,133	97.36%	205,384	10,152,517	99.37%
2008	10,941,562	10,644,479	97.28%	230,283	10,874,762	99.39%

Property Tax Levy and Collections (Last Ten Years)



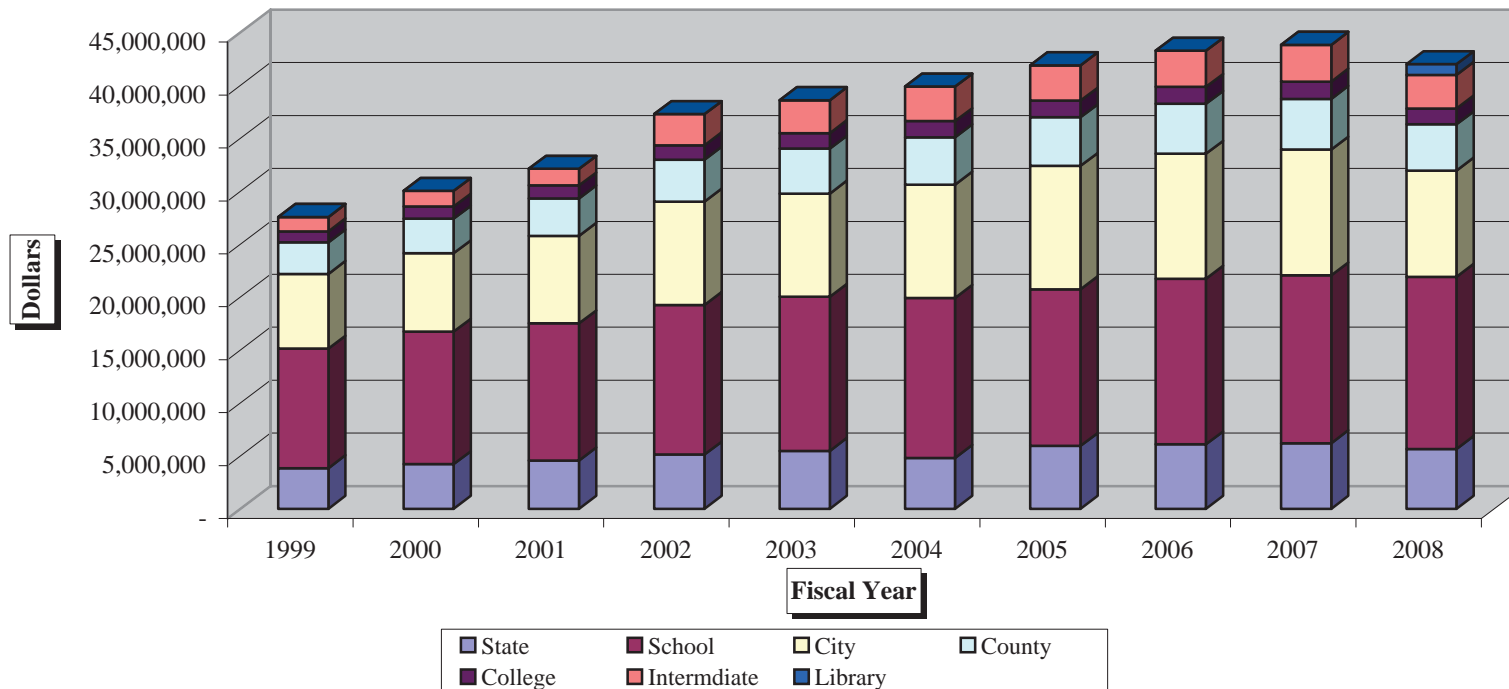
City of Wixom, Michigan

Property Tax Levies - Last Ten Years

Fiscal Year Ended June-30	State Education	School Tax (I)	City Tax	County Tax	Community College	PA 164 Sec. 10a Library	Intermediate School District	Total
1999	3,826,129	11,297,226	7,066,541	2,969,331	1,049,380	-	1,352,409	27,561,015
2000	4,218,461	12,510,465	7,400,375	3,270,854	1,145,664	-	1,476,321	30,022,139
2001	4,557,111	12,949,596	8,281,411	3,530,090	1,223,508	-	1,576,153	32,117,870
2002	5,118,199	14,129,065	9,772,690	3,961,316	1,360,759	-	2,945,183	37,287,211
2003	5,471,510	14,551,499	9,746,857	4,242,518	1,467,277	-	3,120,949	38,600,609
2004	4,802,690	15,114,912	10,703,563	4,466,213	1,535,228	-	3,264,965	39,887,571
2005	5,928,964	14,810,063	11,652,686	4,592,575	1,570,088	-	3,338,896	41,893,272
2006	6,088,395	15,638,425	11,807,731	4,714,548	1,607,742	-	3,418,634	43,275,474
2007	6,187,349	15,863,314	11,881,153	4,791,173	1,633,873	-	3,474,196	43,831,058
2008	5,647,422	16,266,091	10,030,199	4,373,082	1,491,296	1,016,536	3,171,028	41,995,653

(I) Includes the
Novi, South Lyon,
and Walled Lake
School Districts

Property Tax Levies - Last Ten Years



City of Wixom, Michigan

Ratio of Outstanding Debt by Type to Assessed Value and Per Capita - Last Ten Years

	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-2005	2005-2006	2006-2007	2007-2008
Governmental activities										
General obligation bonds	\$12,440,000	\$14,445,000	\$13,755,000	\$12,895,000	\$11,935,000	\$10,910,000	\$9,820,000	\$8,635,000	\$7,415,000	\$6,120,000
General obligation bonds-Development	0	0	0	0	0	0	5,750,000	5,750,000	5,750,000	5,750,000
Special assessment bonds	0	0	0	0	0	0	0	2,755,000	2,655,000	2,555,000
Total	12,440,000	14,445,000	13,755,000	12,895,000	11,935,000	10,910,000	15,570,000	17,140,000	15,820,000	14,425,000
Business-type Activities										
General obligation bonds	\$9,871,753	\$16,875,084	\$16,485,084	\$17,115,084	\$16,375,866	\$15,581,829	\$14,782,973	\$13,959,297	\$13,110,621	\$12,237,126
Revenue Bonds	4,225,000	3,790,000	3,320,000	2,885,000	2,450,000	2,015,000	1,580,000	1,145,000	710,000	0
Total	14,096,753	20,665,084	19,805,084	20,000,084	18,825,866	17,596,829	16,362,973	15,104,297	13,820,621	12,237,126
Total debt of the government	\$26,536,753	\$35,110,084	\$33,560,084	\$32,895,084	\$30,760,866	\$28,506,829	\$31,932,973	\$32,244,297	\$29,640,621	\$26,662,126
Total taxable value	637,688,130	703,076,780	759,518,565	853,033,225	911,918,315	960,537,975	988,160,595	1,014,732,425	1,031,224,785	941,237,065
Ratio of total debt to taxable value	4.16%	4.99%	4.42%	3.86%	3.37%	2.97%	3.23%	3.18%	2.87%	2.83%
Total population	11,654	12,430	13,207	13,425	13,643	13,861	14,082	14,304	14,500	14,500
Total debt per capita	\$2,277	\$2,825	\$2,541	\$2,450	\$2,255	\$2,057	\$2,268	\$2,254	\$2,044	\$1,839

City of Wixom, Michigan

Ratio of General Obligation Bonded Debt Outstanding to Assessed Value and Debt per Capita - Last Ten Years

Fiscal Year Ended June-30	Other General Obligation Debt Outstanding	General Obligation Debt- Dev Outstanding	Total	Taxable Value	Estimated Population	Ratio Debt to Assessed Value	General Obligation Debt per Capita
1998-99	12,440,000	0	12,440,000	637,688,130	11,654	1.95%	1,067
1999-00	14,445,000	0	14,445,000	703,076,780	12,430	2.05%	1,162
2000-01	13,755,000	0	13,755,000	759,518,565	13,207	1.81%	1,041
2001-02	12,895,000	0	12,895,000	853,033,225	13,425	1.51%	961
2002-03	11,935,000	0	11,935,000	911,918,315	13,643	1.31%	875
2003-04	10,910,000	0	10,910,000	960,537,975	13,861	1.14%	787
2004-05	9,820,000	5,750,000	15,570,000	988,160,595	14,082	1.58%	1,106
2005-06	8,635,000	5,750,000	14,385,000	1,014,732,425	14,304	1.42%	1,006
2006-07	7,415,000	5,750,000	13,165,000	1,031,224,785	14,500	1.28%	908
2007-08	6,120,000	5,750,000	11,870,000	941,237,065	14,500	1.26%	819

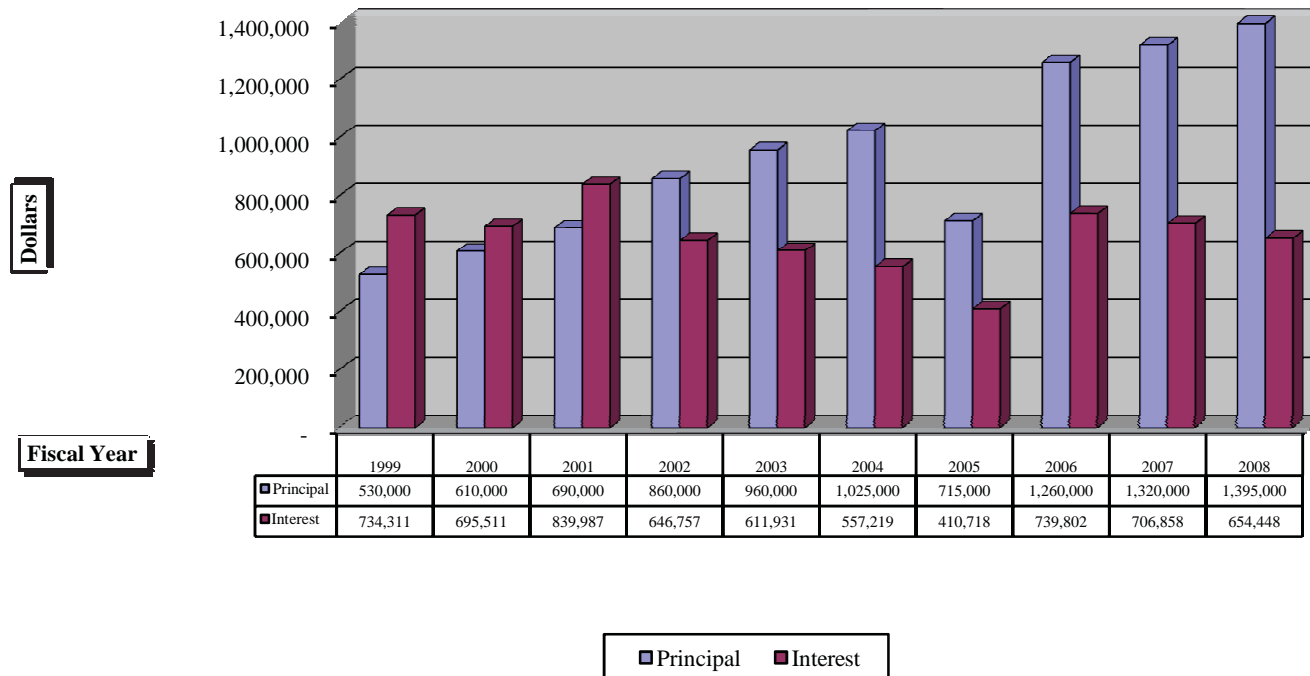
City of Wixom, Michigan

Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures Last Ten Fiscal Years

Fiscal Year Ended June 30 (I)	Debt Service Requirements			Total General Governmental Expenditures	Ratio of Debt Service to General Expenditures (Percent)
	Principal	Interest	Total		
1999	530,000	734,311	1,264,311	11,602,560	10.90%
2000	610,000	695,511	1,305,511	11,101,531	11.76%
2001	690,000	839,987	1,529,987	12,786,140	11.97%
2002	860,000	646,757	1,506,757	16,158,946	9.32%
2003	960,000	611,931	1,571,931	15,938,982	9.86%
2004	1,025,000	557,219	1,582,219	12,312,198	12.85%
2005	715,000	410,718	1,125,718	13,909,788	8.09%
2006	1,260,000	739,802	1,999,802	19,170,006	10.43%
2007	1,320,000	706,858	2,026,858	14,328,643	14.15%
2008	1,395,000	654,448	2,049,448	14,672,909	13.97%

(I) General obligation bonds reported in the Enterprise Fund and the Component Units with government commitment have been excluded.

Ratio of Annual Debt Service Expenditures for General Bonded Debt to total General Government Expenditures



City of Wixom, Michigan

Computation of Legal Debt Margin Year Ended June 30, 2008

Debt Limit		As of 6/30/2008	
		Amount	
State Equalized Valuation - 2008		\$ 937,261,010	
Equivalent IFT Value - 2008		7,022,290	
Total Valuation		<u>\$ 944,283,300</u>	
Debt limit (10 percent of State Equalized Valuation & Equivalent IFT Value)		\$ 94,428,330	
Debt Applicable to Debt Limit			
Total direct debt	\$ 24,107,126		
Less:			
Revenue bonds - Wastewater		<u>-</u>	
Total amount of debt applicable to limit		<u>\$ 24,107,126</u>	
Legal Debt Margin		<u>\$ 70,321,204</u>	
Legal Debt Margin-Percent		<u>74.47%</u>	
Net Direct Debt			
Indirect Debt	10/01/05 SAD Tribute Drain	<u>2,555,000.00</u>	
Net Direct and Indirect Debt		<u>\$ 26,662,126.00</u>	
Overlapping Debt			
Percent	Municipality	Outstanding	City's Share
0.10%	Novi S/D	\$ 138,205,000	\$ 136,205
2.88%	South Lyon S/D	204,805,000	5,898,384
15.94%	Walled Lake S/D	177,690,000	28,323,786
1.43%	Oakland County	105,467,280	1,508,182
1.43%	Oakland ISD	53,730,000	768,339
1.44%	Oakland CC	7,965,000	<u>114,696</u>
Net Overlapping Debt			<u>\$ 36,749,592</u>
Net Direct, Indirect and Overlapping debt			<u>\$ 63,411,718</u>

City of Wixom, Michigan

Legal Debt Margin Information - Last Ten Years

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Calculation of Debt Limit										
State equalized valuation	\$645,903,900	\$704,630,750	\$804,746,330	\$875,051,870	\$936,009,410	\$936,009,410	\$966,729,610	\$1,012,961,780	\$1,010,942,088	\$ 937,261,010
Assessed value equivalent of Act 198 Exemptions	57,150,885	54,822,775	48,259,005	36,695,525	24,345,095	36,695,525	19,906,370	18,172,555	18,251,157	7,022,290
Debt Limit (10% of SEV)	70,305,479	75,945,353	85,300,534	91,174,740	96,035,451	97,270,494	98,663,598	103,113,434	102,919,324	94,428,330
Calculation of Debt Subject to Limit										
Total Debt	\$26,536,753	\$35,110,084	\$33,560,084	\$32,895,084	\$30,760,866	\$28,506,829	\$31,932,973	\$32,244,297	\$29,640,621	\$26,662,126
Less:										
Special assessment bonds	0	0	0	0	0	0	0	2,755,000	2,655,000	2,555,000
Revenue bonds	4,225,000	3,790,000	3,320,000	2,885,000	2,450,000	2,015,000	1,580,000	1,145,000	710,000	0
Net Debt Subject to Limit	\$22,311,753	\$31,320,084	\$30,240,084	\$30,010,084	\$28,310,866	\$26,491,829	\$30,352,973	\$28,344,297	\$26,275,621	\$24,107,126
Legal Debt Margin	637,688,130	703,076,780	759,518,565	853,033,225	911,918,315	960,537,975	988,160,595	1,014,732,425	1,031,224,785	941,237,065
Net Debt Subject to Limit as Percent of Debt Limit	31.74%	41.24%	35.45%	32.91%	29.48%	27.24%	30.76%	27.49%	25.53%	25.53%

City of Wixom, Michigan
Principal Employers - June 30, 2008

Employer	Current Employees	Percentage of Total
Mac Valves Inc	700	8.05%
Waste Management	250	2.87%
Moeller Manufacturing Company	225	2.59%
Nlb Corporation	155	1.78%
United Parcel Service, Inc	105	1.21%
General Rv Center	100	1.15%
Garys Catering Inc	100	1.15%
Eagle Industries Inc	95	1.09%
Detroit Public TV	95	1.09%
Afc-Holcroft Llc	90	1.03%
Jatco USA Inc	88	1.01%
Gm Performance Build Center	80	0.92%
Andersen & Associates Inc	80	0.92%
Durr Ecoclean Inc	77	0.89%
K Tool Corporation	75	0.86%
Great Lakes Rubber Co	75	0.86%
Diversified Machine Inc	75	0.86%
Glass & Mirror Craft, LLC	70	0.80%
Alta Lift Truck Services Inc	70	0.80%
Sebro Plastics Inc	65	0.75%
Total List of Major Taxpayers	2,670	31%
Estimated Total Employees	8,700	

June 30, 1999 employer data is not available at this time.

City of Wixom, Michigan

Demographic Statistics - Last Ten Years

Year Ended December-31	Estimated Population	Number of Households	Median Household Income	State Unemployment Rate
1994	8,550	4,114	*	3.3
1995	9,326 (e)	4,410 (e)	*	2.7
1996	10,102 (e)	4,706 (e)	*	2.4
1997	10,878 (e)	5,002 (e)	*	2.0
1998	11,654 (e)	5,298 (e)	*	1.9
1999	12,430 (e)	5,594 (e)	43,029	2.1
2000	13,207	5,889	44,320	1.8
2001	13,425 (e)	5,950 (e)	45,650	3.2
2002	13,643 (e)	6,011 (e)	47,019	3.9
2003	13,861 (e)	6,072 (e)	48,430	4.3
2004	14,082 (e)	6,100 (e)	49,883	7.2
2005	14,304 (e)	6,123 (e)	51,379	6.1
2006	14,500 (e)	6,197 (e)	52,920	7.1
2007	14,500 (e)	6,197 (e)	53,714	7.5
2008	14,500 (e)	6,259 (e)	53,714	8.5
2030	24,484 (e)	10,856 (e)	N/A	N/A

N/A = Not available

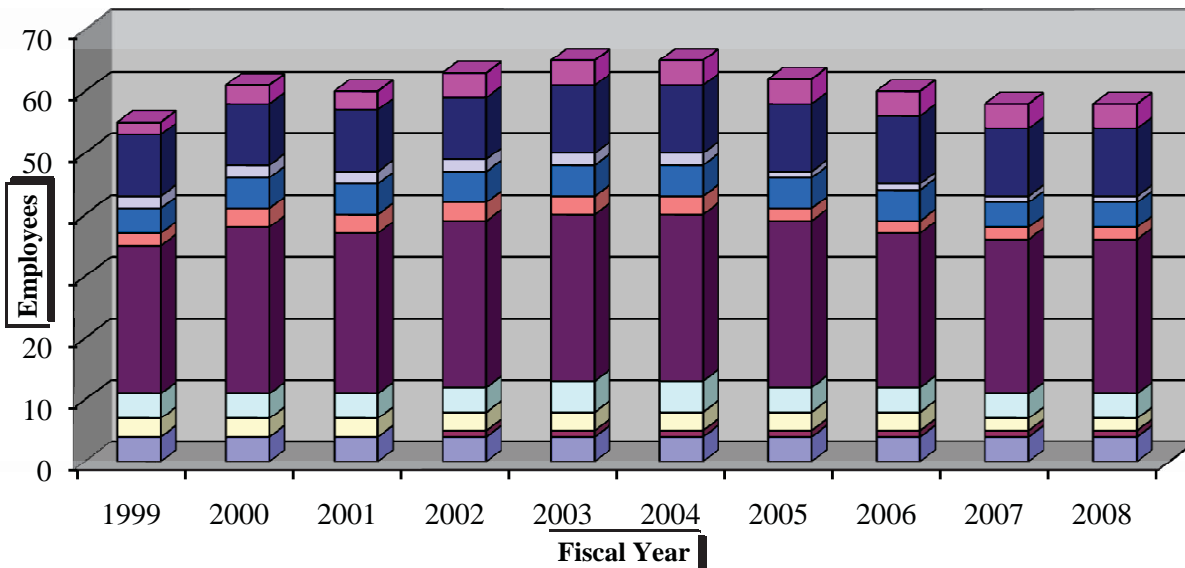
Sources: Southeast Michigan Council of
Governments U.S. Bureau of Labor Statistics
Michigan.gov Labor Market Information and Internal
Records

City of Wixom, Michigan

Full-time government employees

Function/ program	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General government:										
City Manager	4	4	4	4	4	4	4	4	4	4
Assessor				1	1	1	1	1	1	1
Clerks	3	3	3	3	3	3	3	3	2	2
Finance	4	4	4	4	5	5	4	4	4	4
Public safety:										
Police	24	27	26	27	27	27	27	25	25	25
Fire	2	3	3	3	3	3	2	2	2	2
Building	4	5	5	5	5	5	5	5	4	4
Public works:										
DPS	2	2	2	2	2	2	1	1	1	1
Public Works	10	10	10	10	11	11	11	11	11	11
Community Serv										
Community Serv	2	3	3	4	4	4	4	4	4	4
Total	55	61	60	63	65	65	62	60	58	58

City of Wixom - Full-time employee



Operating Indicators by Function/Program - Last Ten Fiscal Years

Function/Program	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-2005	2005-2006	2006-2007	2007-2008
Election data:										
Registered voters	7,312	7,469	7,900	7,833	7,772	7,665	8,102	8,549	8,472	8,930
Voters (at the polls and absentee)	3,187	1,018	5,239	1,604	3,688	502	6,114	1,667	4,829	6,700
Percent voting	43.59%	13.63%	66.32%	20.48%	47.45%	6.55%	75.46%	19.50%	57.00%	75.03%
Building data:										
Permits issued-Residential	401	359	303	276	205	288	313	361	202	147
Residential Permit Revenue	153,820	147,337	108,063	85,458	51,056	68,502	194,189	96,993	34,273	25,270
Residential Estimated Value	37,719,840	36,840,168	28,520,230	18,855,134	11,852,466	7,063,204	10,533,283	11,268,031	3,026,260	2,172,466
Pemits issued-Comm & Indust	134	118	134	97	79	106	118	120	146	116
Comm & Indust Permit Revenue	204,459	266,138	226,947	141,511	114,268	125,795	239,490	193,841	165,530	125,832
Comm & Indust Estimated Value	33,118,587	42,293,417	34,458,655	19,783,125	17,731,213	19,816,837	32,947,775	20,596,914	17,402,587	12,516,419
Police data:										
Crime Part A	1,079	958	1,166	935	839	817	915	855	926	885
Crime Part B	951	855	844	679	575	611	748	642	641	615
Crime Part C	11,011	11,766	12,759	14,586	13,759	13,670	13,315	14,907	14,854	13,416
Crime Part D	1,488	1,987	2,069	2,266	2,324	2,578	2,181	1,823	2,314	1,673
Other calls for service	352	335	404	1,245	1,097	792	741	643	35	78
Total police runs	14,881	15,901	17,242	19,711	18,594	18,468	17,900	18,870	18,770	16,667
Physical arrests	542	506	607	616	731	739	747	610	639	595
Traffic violations	2,301	2,102	1,935	1,936	2,507	2,061	2,114	1,545	1,287	1,195
Investigations: Warrants obtained	Data not available		188	193	204	224	385	425	333	284
Fire data:										
Fire runs	55	73	81	73	60	69	48	59	49	33
Emergency medical runs	433	499	548	644	589	620	621	688	559	550
Other calls for service									324	368
Inspections	1,074	1,301	1,130	1,194	1,195	1,110	1,175	1,189	1,177	1,071
Public works data:										
Miles of street resurfaced (Major)	7	7	7	8	10	10	10	10	10	10
Miles of street resurfaced (Local)	31	33	36	35	34	34	34	34	34	34
Refuse collected (tons)	3,097	3,016	3,248	3,323	3,688	3,637	3,499	3,372	3,372	3,372
Library data:										
Circulation (books borrowed)	72,588	80,656	102,299	107,880	124,188	111,358	110,363	113,063	131,465	155,269
Collection volume	33,984	35,437	37,932	39,175	40,158	40,185	41,757	46,587	48,395	51,641
Water and Sewer data:										
Water purchase from Detroit-MCF	Connected to Detroit water system during FY 2002			35,598	121,144	107,183	110,426	108,037	109,353	86,093
Water purchase from Detroit-Cost	Connected to Detroit water system during FY 2002			363,815	1,238,109	1,358,007	1,492,675	1,701,576	1,700,316	1,379,708
Rates										
Water	8.24	8.24	8.24	10.30	17.56	20.38	23.72	27.57	27.57	27.57
Sewer	9.76	9.76	9.76	9.76	4.85	5.00	7.00	9.00	9.00	9.00
DWSD Wholesale Rate	Connected to Detroit water system during FY 2002			10.22	10.22	12.67	13.55	15.75	15.54	15.90

City of Wixom, Michigan

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years

Function/Program	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Police - Stations	1	1	1	1	1	1	1	1	1	1
Fire - Stations	2	2	2	2	2	2	2	2	2	2
Wastewater Treatment Plant	1	1	1	1	1	1	1	1	1	1
Connection to Detroit Water System	Connected to Detroit water system during FY 2002			1	1	1	1	1	1	1
Major Roads in Miles	7	7	7	8	10	10	10	10	10	10
Local Roads in Miles	31	33	36	35	34	34	34	34	34	34
Parks & recreation - Acres	378	380	382	384	386	388	390	392	392	392
Parks & recreation - Locations	5	5	5	5	5	5	5	6	6	6
Library branches	1	1	1	1	1	1	1	1	1	1

Community Profile

June 30, 2008

Wixom

A community you can LIVE in!

Wixom is presently the third fastest growing city in Oakland County, located in the midst of the rapidly growing I-96 corridor and within easy driving distance of three major internationally known universities. The city is characterized by its balanced approach to land use development and mixing the best of country living with a strong industrial base. All types of residential housing are available with a significant concentration of multiple family. Wixom maintains the best of country living within the urban fringe, having the second lowest tax rate in Oakland County because of its strong industrial base - not to mention one of the finest school districts in the State. The Wixom Historical Society maintains a museum at the Wixom-Wire house of the City's historic past. Wixom Habitat is a 300-acre nature preserve obtained through land acquisition purchases by the City and the donations of developers. It is being developed as a passive park with boardwalks, nature center, and walking paths.

Local Government

Mayor

Kevin Hinkley (248) 624-4557

Manager

J. Michael Dornan (248) 624-0894

Clerk

Linda Kirby (248) 624-4557

www.cityofwixom.com/

Private Schools

Little Hornbook Day School,
Wixom Christian School

Public School Enrollment

Does not include public school academies

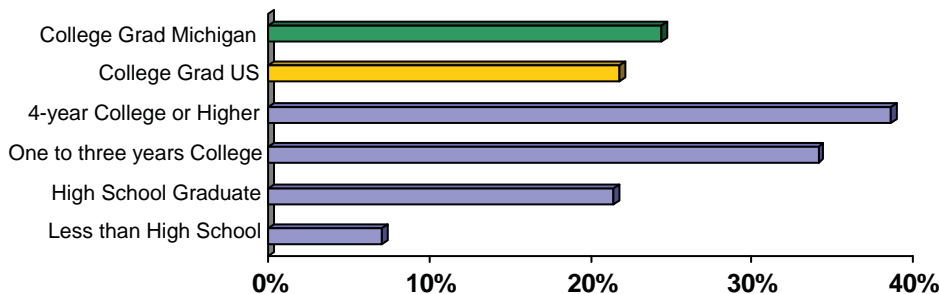
School District	Year	Enrollment
Novi	2007	6,352
South Lyon	2007	7,006
Walled Lake	2007	15,837

2007 Tax Rates

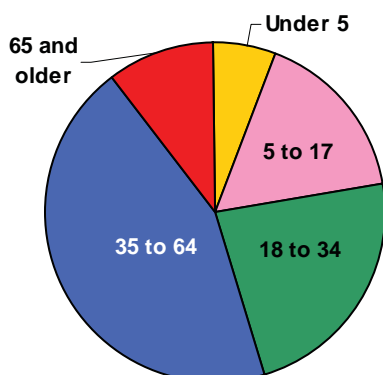
School District	Homestead	Non Homestead
Novi	\$37.35	\$52.47
South Lyon	\$35.84	\$53.84
Walled Lake	\$34.01	\$50.13

Colleges and Universities

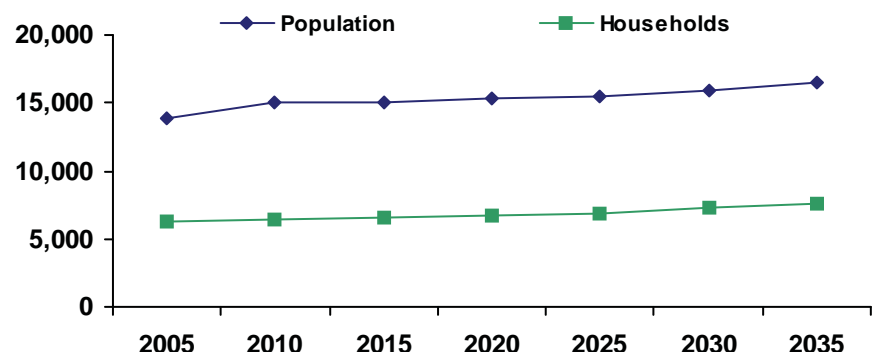
Educational Attainment of People Over 25 Years of Age



Population by Age



Population and Household Growth

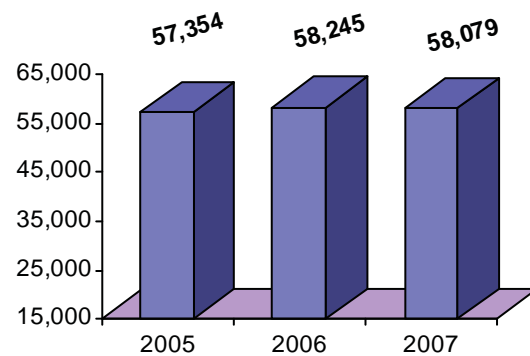
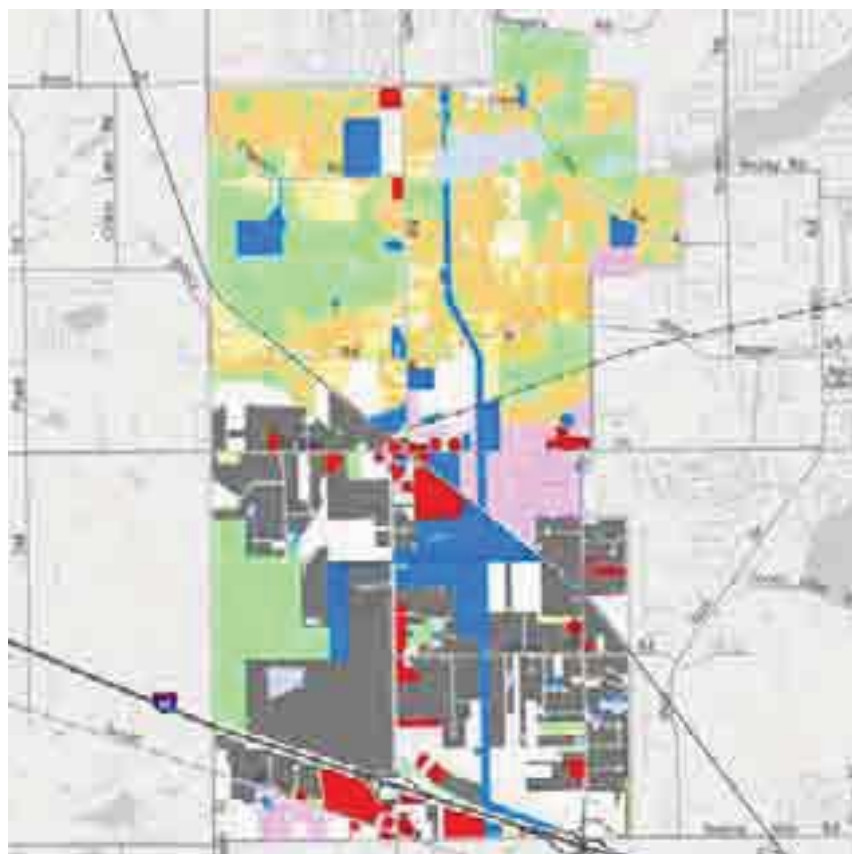


Source: U.S. Census Bureau

Source: SEMCOG

Wixom

Median Household Income



Source: Claritas

Housing Sales

2008 # of Sales	42
2008 Median Sales \$	\$158,500
2008 Avg DOM	144
2007 # of Sales	106
2007 Median Sale \$	\$214,000
2007 Avg DOM	157
2006 # of Sales	108
2006 Median Sale \$	\$236,000
2006 Avg DOM	98

2008 Data for Jan-Jun only

Top Employers

Rank	Company Name	Industry
1	Great Lakes Rubber Co.	Fabricated rubber products
2	Mac Valves Inc	Fluid power valves & hose fittings
3	Diversified Machine Inc.	Motor vehicle parts and accessories
4	Nlb Leasing Llc	Equipment rental & leasing
5	General RV Center	Recreational vehicle dealer
6	Durr Ecoclean, Inc	Conveyors and conveying equipment
7	Rockwell Medical Technologies, Inc.	Surgical and medical instruments
8	NGK Spark Plugs USA	Motor vehicle parts and accessories
9	H2h Solutions, Inc.	Home health care services
10	Walled Lake School District	Primary education
11	Trijicon Inc	Optical instruments and lenses

Manufactured Housing

Year	# of Parks	of Units
2003	0	0
2005	0	0
2007	0	0


Source: SEMCOG

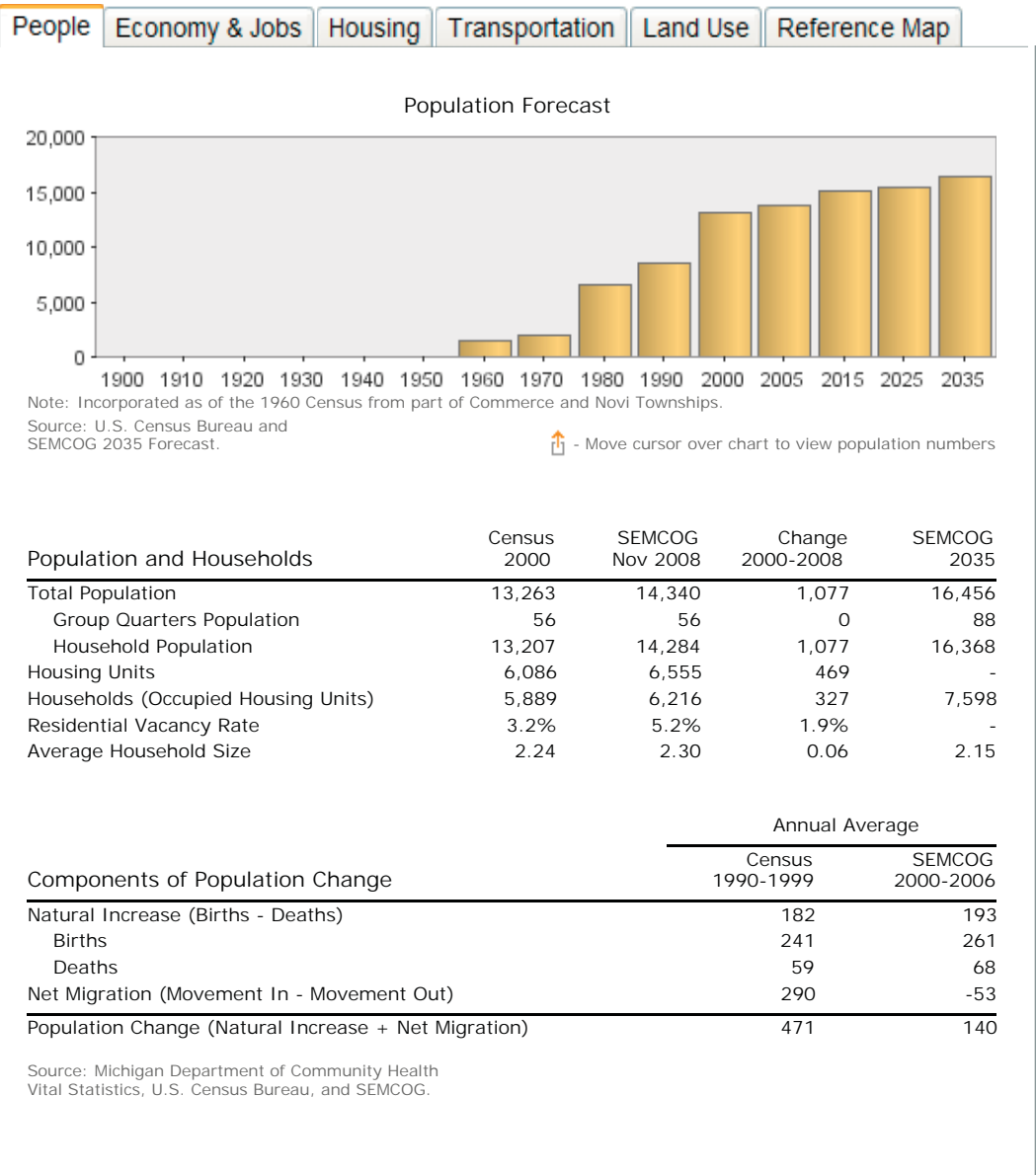


City of Wixom

49045 Pontiac Trail
Wixom, MI 48393
<http://www.ci.wixom.mi.us/>

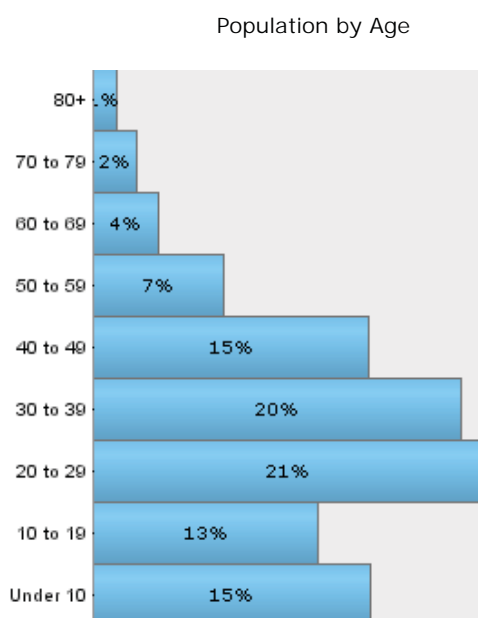
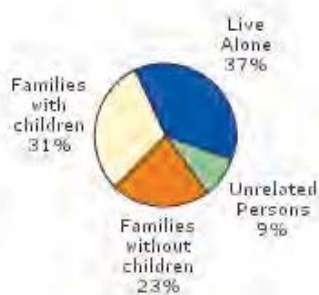


Estimated Population: 14,340
Area: 9.5 square miles
[View complete print friendly profile](#) 



Demographics

Household Types	Census 2000	Change 1990-2000
Live Alone	2,203	455
Under 65	1,962	375
65 and over	241	80
Families with children	1,821	849
Married	1,370	567
Unmarried	451	282
Families without children	1,332	306
Unrelated Persons	533	165
Total Households	5,889	1,775



Age Group	Census 2000	Change 1990-2000
85 and over	73	26
80 to 84	113	44
75 to 79	145	42
70 to 74	180	29
65 to 69	210	59
60 to 64	272	86
55 to 59	400	182
50 to 54	569	339
45 to 49	949	593
40 to 44	1,086	551
35 to 39	1,365	599
30 to 34	1,343	308
25 to 29	1,396	-228
20 to 24	1,455	330
15 to 19	860	443
10 to 14	802	378
5 to 9	915	409
Under 5	1,130	523
Total	13,263	4,713

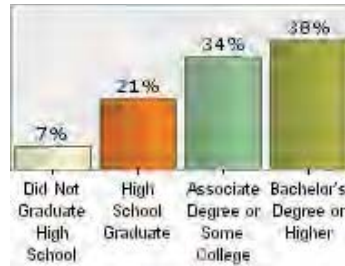
Senior and Youth Population	Census 2000	Change 1990-2000
65 and over	721	5.4% 200
Under 18	3,300	24.9% 1,517
5 to 17	2,170	16.4% 994

Note: Population by age changes over time because of the aging of people into older age groups, the movement of people, and the occurrence of births and deaths.

Race and Hispanic Origin	Census 1990	Census 2000	Percentage Point Chg 1990-2000
Non-Hispanic	8,447	12,839	96.8% -2.0%
White	8,312	11,792	88.9% -8.3%
Black	27	327	2.5% 2.1%
Asian or Pacific Islander	72	378	2.9% 2.0%
Other	36	342	2.6% 2.2%
Hispanic	103	424	3.2% 2.0%
Total Population	8,550	13,263	100.0% 0.0%

Highest Level of Education*	Census 2000	Percentage Point Chg 1990-2000
Graduate / Professional Degree	11.7%	6.3%
Bachelor's Degree	26.5%	2.9%
Associate Degree	8.1%	-2.5%
Some College, No Degree	25.6%	0.4%
High School Graduate	21.2%	-4.1%
Did Not Graduate High School	7.0%	-3.0%

* Population age 25 and over



Source Data

[SEMCOG - Detailed Data](#)

[Michigan Department of Community Health - Vital Statistics](#)

[U.S. Census Bureau - American FactFinder](#)

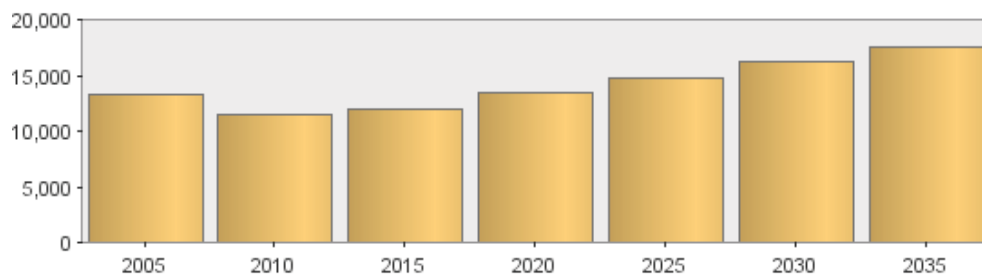
People Economy & Jobs Housing Transportation Land Use Reference Map

Note: All SEMCOG employment numbers are by place-of-work and do not include Farming, Construction, or Military jobs. Some differences exist between Current Job Estimates and Forecasted Jobs. [Learn more](#)

Current Job Estimates by Industry	SEMCOG 2002	SEMCOG 2005	Change 2002-2005
Natural Resources & Mining	C	C	C
Manufacturing	7,986	5,967	-2,019
Wholesale Trade	1,592	1,378	-214
Retail Trade	1,057	1,050	-7
Transportation & Warehousing	289	245	-44
Utilities	0	0	0
Information	39	146	107
Financial Activities	85	127	42
Professional, Scientific, & Technical Services	357	434	77
Management of Companies & Enterprises	240	143	-97
Administrative, Support, & Waste Services	1,256	1,247	-9
Education Services	203	201	-2
Health Care & Social Assistance	70	161	91
Leisure & Hospitality	397	530	133
Other Services	192	142	-50
Public Administration	C	C	C
Total	13,916	11,874	-2,042

Note: "C" indicates data blocked due to confidentiality concerns of ES-202 files.

Job Forecast



If any five-year interval employment numbers from 2005-2035 are not shown, the numbers were blocked for confidentiality reasons.

Source: SEMCOG 2035 Forecast.

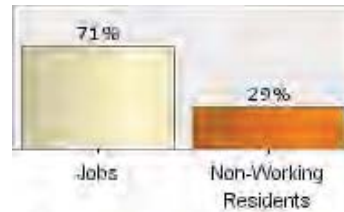
- Move cursor over chart to view employment numbers

Forecasted Jobs by Industry	SEMCOG 2005	SEMCOG 2035	Change 2005-2035
Natural Resources & Mining	C	C	C

Manufacturing	6,002	2,671	-3,331
Wholesale Trade	1,499	1,303	-196
Retail Trade	1,208	1,020	-188
Transportation & Warehousing	331	443	112
Utilities	C	C	C
Information	132	303	171
Financial Activities	283	707	424
Professional, Scientific, & Technical Services	878	2,341	1,463
Management of Companies & Enterprises	147	139	-8
Administrative, Support, & Waste Services	1,448	4,659	3,211
Education Services	230	297	67
Health Care & Social Assistance	228	1,836	1,608
Leisure & Hospitality	611	1,239	628
Other Services	308	543	235
Public Administration	C	C	C
Total	13,425	17,680	4,255

Note: "C" indicates data blocked due to confidentiality concerns of ES-202 files.

Daytime Population	SEMCOG and Census 2000	Change 1990-2000
Jobs	12,924	6,362
Non-Working Residents	5,307	2,164
Age 15 and under	2,950	1,320
Not in labor force	2,138	873
Unemployed	219	-29
Daytime Population	18,231	8,526



Note: The number of residents attending school outside Wixom is not available. Likewise, the number of students commuting into Wixom to attend school is also not known.

Where Workers Commute From *		Census 2000	
		Workers	Percent
1 Wixom		1,223	9.7%
2 Detroit		1,048	8.3%
3 Commerce Township or Wolverine Lake		813	6.4%
4 Novi		509	4.0%
5 Livonia		445	3.5%
6 Milford or Milford Township		429	3.4%
7 White Lake Township		397	3.1%
8 Farmington Hills		395	3.1%
9 Westland		358	2.8%
10 Waterford Township		325	2.6%
- Elsewhere		6,676	52.9%
* Workers, age 16 and over, employed in Wixom		12,618	100.0%

Resident Population

Where Residents Work *		Census 2000	
		Workers	Percent
1 Wixom		1,223	15.8%
2 Novi		811	10.5%
3 Southfield		680	8.8%
4 Farmington Hills		528	6.8%
5 Detroit		386	5.0%
6 Livonia		369	4.8%
7 Commerce Township or Wolverine Lake		351	4.5%
8 Troy		276	3.6%
9 Walled Lake		216	2.8%
10 Milford or Milford Township		170	2.2%
- Elsewhere		2,732	35.3%
* Workers, age 16 and over, residing in Wixom		7,742	100.0%

Income	Census 2000	Change 1990-2000	Percent Change 1990-2000
Median Household Income (in 1999 dollars)	\$ 44,320	\$ 1,765	4.1%

Household Income in 1999	Census 2000	
\$200,000 or more	131	
\$150,000 to \$199,999	116	
\$125,000 to \$149,999	252	
\$100,000 to \$124,999	351	
\$75,000 to \$99,999	716	
\$60,000 to \$74,999	698	
\$50,000 to \$59,999	457	
\$45,000 to \$49,999	191	
\$40,000 to \$44,999	404	
\$35,000 to \$39,999	390	
\$30,000 to \$34,999	510	
\$25,000 to \$29,999	491	
\$20,000 to \$24,999	499	
\$15,000 to \$19,999	297	
\$10,000 to \$14,999	195	
Less than \$10,000	194	
Total	5,892	

Poverty	Census 1990	Census 2000	Percentage Point Chg 1990-2000
Persons in Poverty	299 3.5%	717 5.4%	1.9%
Households in Poverty	142 3.5%	281 4.8%	1.3%

Source Data

[SEMCOG - Detailed Data](#)

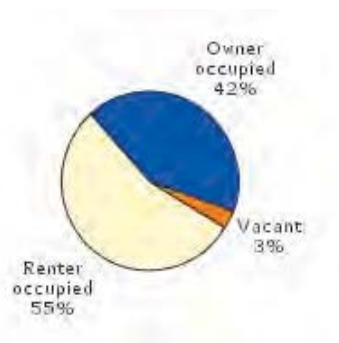
[U.S. Census Bureau - American FactFinder](#)

[U.S. Census Bureau - MCD/County Worker Flow Data](#)

People Economy & Jobs Housing Transportation Land Use Reference Map

Housing Type	Census 1990	Census 2000	Change 1990-2000	New Units Permitted 2000-2007
Single Family Detached	1,329	2,349	1,020	288
Duplex	10	9	-1	0
Townhouse / Attached Condo	80	313	233	183
Multi-Unit Apartment	3,032	3,403	371	0
Mobile Home / Manufactured Housing	7	12	5	0
Other	17	0	-17	-
Total	4,475	6,086	1,611	471
Units Demolished				- 55
Net (Total Permitted Units - Units Demolished)				416

Housing Tenure	Census 2000	Change 1990-2000
Owner Occupied	2,572	1,164
Median housing value (in 1999 dollars)	\$ 195,000	\$ 64,158
Renter Occupied	3,317	611
Median gross rent (in 1999 dollars)	\$ 523	\$ -61
Vacant	197	-164
Seasonal or migrant	19	-12
Other vacant units	178	-152

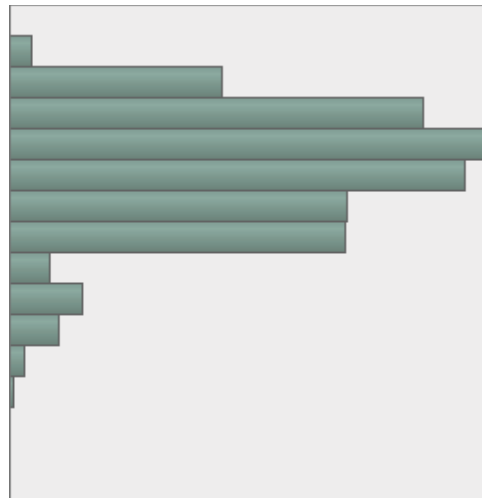


Total Housing Units

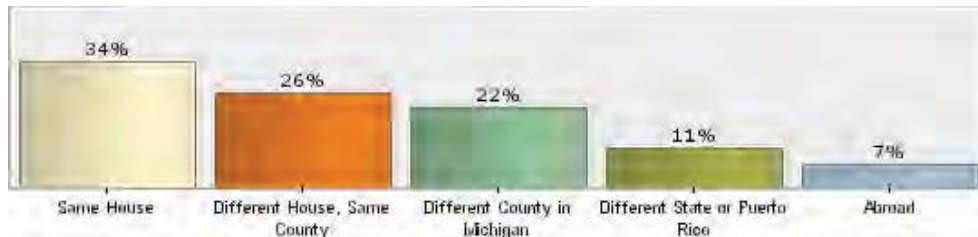
6,086

1,611

Housing Value in 1999	Census 2000
\$1,000,000 or more	0
\$500,000 to \$999,999	22
\$300,000 to \$499,999	208
\$250,000 to \$299,999	403
\$200,000 to \$249,999	470
\$175,000 to \$199,999	444
\$150,000 to \$174,999	330
\$125,000 to \$149,999	328
\$100,000 to \$124,999	39
\$80,000 to \$99,999	72
\$60,000 to \$79,999	49
\$40,000 to \$59,999	15
\$30,000 to \$39,999	5
\$20,000 to \$29,999	0
\$10,000 to \$19,999	0
Less than \$10,000	0
Specified Owner-Occupied Units	2,385



Residence 5 Years Ago *



* This table represents persons, age 5 and over, living in Wixom in 2000. The table does not represent persons who moved out of Wixom from 1995 to 2000.

Source Data

[SEMCOG - Detailed Data](#)

[U.S. Census Bureau - American FactFinder](#)

People

Economy & Jobs

Housing

Transportation

Land Use

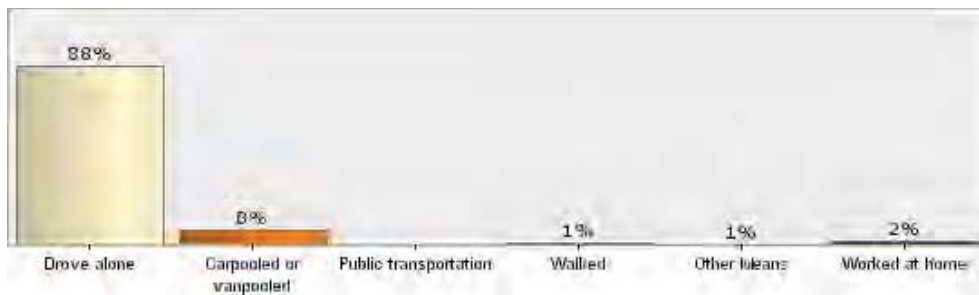
Reference Map

Roads & Bridges

- Miles of road: 64
- No bridge data for 2006.

Travel

Transportation to Work, 2000 *



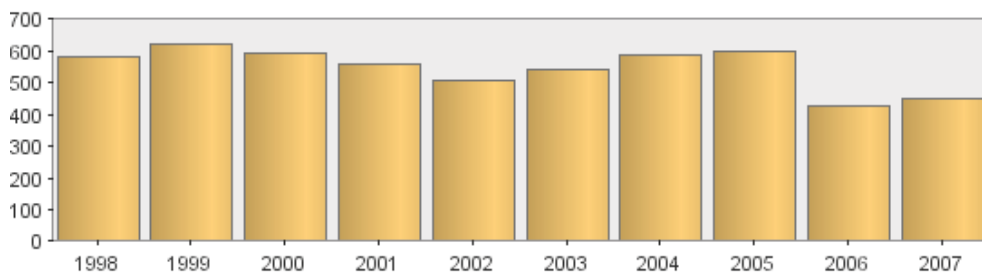
* Resident workers age 16 and over

Transportation to Work	Census 1990		Census 2000		Percentage Point Chg 1990-2000
Drove Alone	4,863	92.1%	6,799	87.7%	-4.4%
Carpooled or Vanpooled	338	6.4%	623	8.0%	1.6%
Public Transportation	16	0.3%	0	0.0%	-0.3%
Walked	23	0.4%	111	1.4%	1.0%
Other Means	11	0.2%	40	0.5%	0.3%
Worked at Home	29	0.5%	177	2.3%	1.7%
Resident workers age 16 and over	5,280	100.0%	7,750	100.0%	0.0%

Mean Travel Time To Work	Census 1990	Census 2000	Change 1990-2000
For residents age 16 and over who worked outside the home	26.5 minutes	27.1 minutes	0.6 minutes

Safety

Crashes, 1998-2007



Source: Michigan Department of State Police, Criminal Justice Information Center, and SEMCOG.

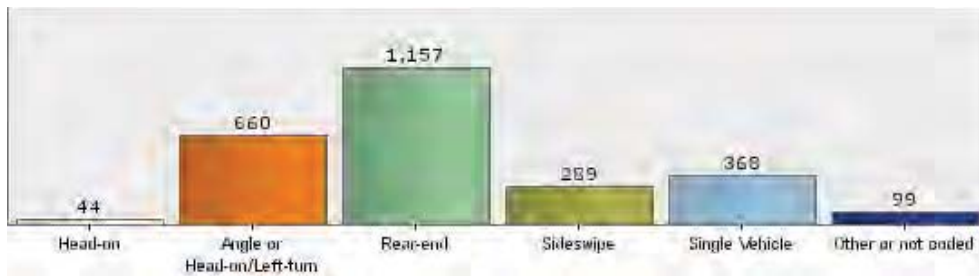
↑ - Move cursor over chart to view crash counts

Crash Severity	2003	2004	2005	2006	2007	Percent of Crashes 2003-2007
Fatal	0	0	0	0	1	0.0%
Incapacitating Injury	11	3	5	7	9	1.3%
Other Injury	115	116	114	90	68	19.2%
Property Damage Only	419	470	481	333	374	79.4%
Total Crashes	545	589	600	430	452	100.0%

Crashes by Involvement	2003	2004	2005	2006	2007	Percent of Crashes 2003-2007
Red-light Running	6	12	11	6	16	1.9%
Alcohol	20	14	20	19	14	3.3%
Drugs	1	1	0	0	1	0.1%
Commercial Truck/Bus	38	50	47	35	21	7.3%
School Bus	4	3	1	0	0	0.3%
Emergency Vehicle	3	1	1	2	3	0.4%
Pedestrian	1	1	3	1	2	0.3%
Bicyclist	5	3	1	2	0	0.4%
Deer	13	17	20	17	19	3.3%

Motorcycle	3	2	5	5	3	0.7%
Train	0	0	0	0	0	0.0%
Snowmobile	0	0	0	0	0	0.0%
Farm Equipment	0	0	0	0	0	0.0%

Crashes by Type, 2003-2007



Crash Type	2003	2004	2005	2006	2007	Percent of Crashes 2003-2007
Head-on	17	7	10	6	4	1.7%
Angle or Head-on/Left-turn	110	191	137	103	119	25.2%
Rear-end	239	232	276	200	209	44.2%
Sideswipe	74	70	58	45	42	11.0%
Single Vehicle	80	72	97	62	57	14.1%
Other or Unknown	25	17	22	14	21	3.8%
Total Crashes	545	589	600	430	452	100.0%

Age of Drivers Involved	2003	2004	2005	2006	2007	Percent of Crashes 2003-2007
65 and older	44	43	46	39	42	4.2%
25 to 64	691	756	763	533	592	65.7%
Under 25	258	294	282	216	201	24.7%
Not coded	59	71	53	48	42	5.4%
Total Drivers	1,052	1,164	1,144	836	877	100.0%

High Crash Intersections

Local Rank	County Rank	Region Rank	Intersection	2003-2007	Annual Avg 2003-2007	2007
1	62	155	Grand River Ave @ Wixom Rd S	149	30	31
2	71	190	Beck Rd @ Pontiac Trl S	141	28	25
3	232	732	Johanna Ware St @ Wixom Rd N	81	16	14
4	248	791	Beck Rd @ West Rd	77	15	18
4	248	791	Manistee St @ Wixom Rd S	77	15	11
6	340	1,066	West Rd @ Wixom Rd S	65	13	11
7	394	1,284	12 Mile Rd W @ Ramp - W I 96/12 Mile	58	12	6
8	503	1,665	Beck Rd @ West Maple Rd W	49	10	13
9	529	1,767	Ramp - W I 96/Wixom @ Wixom Rd S	47	9	10
10	620	2,136	Sams Way @ Wixom Rd S	41	8	7

Note: Intersections are ranked by the number of reported crashes and does not take into account traffic volume. This ranking method tends to rank a high-volume intersection as a high-crash intersection.

Source Data

[SEMCOG - Detailed Data](#)

[U.S. Census Bureau - American FactFinder](#)

Land Use / Land Cover (in acres)	SEMCOG 2000		Change 1990-2000	
Residential	1,527	25.4%	581	61.4%
Single-Family	1,192	19.9%	407	51.9%
Multiple-Family	335	5.6%	174	108.0%
Non-Residential	2,235	37.2%	774	53.0%
Commercial and Office	157	2.6%	103	192.1%
Industrial	1,587	26.4%	606	61.7%
Institutional	95	1.6%	51	114.8%
Transportation, Communication, and Utility	261	4.3%	-9	-3.5%
Cultural, Outdoor Recreation, and Cemetery	135	2.3%	24	21.5%
Under Development	208	3.5%	97	86.5%
Active Agriculture	101	1.7%	-329	-76.5%
Grassland and Shrub	600	10.0%	-1,014	-62.8%
Woodland and Wetland	1,234	20.6%	-108	-8.0%
Extractive and Barren	0	0.0%	0	-
Water	97	1.6%	0	-0.4%
Total Acres	6,003	100.0%	0	0.0%

Source Data

[SEMCOG - Detailed Data](#)

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535 Griswold St., Suite 300 * Detroit, Michigan 48226 * (313) 961-4266

CITY OF WIXOM

County of Oakland, State of Michigan

Unlimited Tax General Obligation Road Bonds, Series 1997, dated 12/1/97, orig. amt. \$3,650,000, CUSIP # BZ7 to CQ6

Unlimited Tax General Obligation Bonds, Series 1999, dated 12/1/99, orig. amt. \$2,615,000, CUSIP # CR4 to DE2

General Obligation Unlimited Tax Refunding Bonds, Series 2001, dated 6/1/01, orig. amt. \$2,715,000, CUSIP # DF9 to DN2

Unlimited Tax General Obligation Water Bonds, Series 2001, dated 12/1/01, orig. amt. \$1,335,000, CUSIP # DP7 to EG6

General Obligation Unlimited Tax Refunding Bonds, Series 2004, dated 9/29/04, orig. amt. \$2,950,000, CUSIP # EJ0 to EP6

Limited Tax General Obligation Capital Improvement Bonds, dated 3/1/05, orig. amt. \$5,750,000, CUSIP # ET8 to FM2

CUSIP #s: 977493 See above for Issue Numbers

ANNUAL DISCLOSURE DOCUMENT

(Due by December 31 annually; FYE 6-30)

HISTORY OF TAXABLE VALUE

Year	Total Taxable Value	Industrial Facilities Tax FULL Valuation	Total Valuation	DDA/LDFA Captured Valuation	Net Valuation	Change
2008	\$878,809,750	\$14,044,580	\$892,854,330	\$16,029,860	\$876,824,470	-6.88%
2007	\$925,973,530	\$30,527,070	\$956,500,600	\$14,882,760	\$941,617,840	6.17%
2006	\$906,153,800	\$36,345,110	\$942,498,910	\$55,572,890	\$886,926,020	0.59%
2005	\$890,930,630	\$38,245,680	\$929,176,310	\$47,417,480	\$881,758,830	3.16%
2004	\$859,089,277	\$42,438,550	\$901,527,827	\$46,807,820	\$854,720,007	0.58%

NOTE: As a result of changes (in 2008) to the Michigan Business Tax 1/3 of the Commercial Personal Property taxable value is included in the Non-Homestead calculations. The remaining 2/3's is included in the Homestead calculation.

Source: Oakland County Equalization Dept., and DDA/LDFA comes from City of Wixom

TAX BASE COMPOSITION

By Class	2008 Taxable Value	Percent of Total	2008 S.E.V.	Percent of Total
Real Property	\$747,334,210	85.04%	\$805,785,470	85.97%
Personal Property	131,475,540	14.96%	131,475,540	14.03%
TOTAL	\$878,809,750	100.00%	\$937,261,010	100.00%

By Use	2008 Taxable Value	Percent of Total	2008 S.E.V.	Percent of Total
Commercial	\$161,404,320	18.37%	\$175,654,140	18.74%
Industrial	\$357,434,380	40.67%	\$385,061,180	41.08%
Residential	\$343,197,870	39.05%	\$359,772,510	38.39%
Personal	\$16,773,180	1.91%	\$16,773,180	1.79%
TOTAL	\$878,809,750	100.00%	\$937,261,010	100.00%

Source: Oakland County Equalization Dept

MAJOR TAXPAYERS

Taxpayer	Product/Service	2008 AdValorem T.V.	2008 FULL IFT Value	TV & IFT TOTAL Value
Ford Motor Company	Motor vehicles	\$27,577,080	\$2,475,780	\$30,052,860
Occidental Development, Ltd	Development	\$16,253,550	\$0	\$16,253,550
Edward Rose & Sons *	Apartments	\$15,925,260	\$0	\$15,925,260
General Motor Corp.	Automotive	\$13,174,300	\$0	\$13,174,300
US Real Property LLC		\$10,703,240	\$0	\$10,703,240
Dart Container Corp.	Leasing company	\$9,480,320	\$0	\$9,480,320
Beck Business Center, Inc.		\$8,371,740	\$0	\$8,371,740
Alpha Drive Development	Ind. park development	\$8,304,880	\$0	\$8,304,880
International Transmissions	Transmissions	\$7,657,630	\$0	\$7,657,630
Detroit Edison	Utility	\$7,641,800	\$0	\$7,641,800
TOTAL		\$125,089,800	\$2,475,780	\$127,565,580
2008 Taxable Value		\$878,809,750	\$14,044,580	\$892,854,330
Top 10 Taxpayers as a % of Taxable Value and Total Valuation		14.23%	17.63%	14.29%

* Taxes under appeal according to the State Tax Tribunal.

Source: City of Wixom Assessor's Office

NOTE: Ford currently has no plans for production at its Wixom Assembly Plant (the "Plant") subsequent to July 1, 2007. Ford is the City's largest taxpayer, representing 12.5% of the City's total taxable valuation, with substantially all of the valuation attributable to the Plant.

Ford also is the largest customer of the City's Water Enterprise Fund ("Water Fund") and Sewer Enterprise Fund ("Sewer Fund"), representing 21% and 26%, respectively of gross revenues to the Water Fund and the Sewer Fund.

Further information may be obtained from the Ford Motor Company, www.ford.com, and from the U.S. Securities and Exchange Commission, www.sec.gov.

CITY OF WIXOM

County of Oakland, State of Michigan

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CUSIP #s: 977493 See above for Issue Numbers

ANNUAL DISCLOSURE DOCUMENT

(Due by December 31 annually; FYE 6-30)

TAX RATES

Tax Year	Operating	Water Debt	Civic Center	Local Roads	Major Roads/ Debt	Fire & DPW Bldg.	Total	Library *
2008	6.7320	1.2130	0.2150	1.1314	0.9400	0.3200	10.5514	1.0800
2007	6.7320	1.2130	0.3600	1.1314	0.9400	0.2800	10.6564	1.0800
2006	6.7320	1.2332	0.3600	1.1314	0.9200	0.2798	10.6564	0.8650
2005	6.8469	1.3332	0.3600	1.1314	0.8200	0.2798	10.7713	0.8650
2004	6.8469	1.4020	0.4040	1.1314	0.8200	0.2700	10.8743	0.8650

* The Library became a separate entity on November 7, 2006, as voted by the residents of the City of Wixom.

Source: City of Wixom

TAX RATE LIMITATION

Section 11.5 of the City Charter provides tax rate limitations as follows:

Purpose	Rate per \$1000 of Taxable Valuation	2008 Amount after Headlee Rollback
General Operating	8.00	7.5429

The City has the authority to levy taxes in excess of the above limitations pursuant to state law for the following purposes:

Purpose	Authority	Rate per \$1000 of State Equalized Valuation
Refuse Collection and Disposal	Act 298, P.A. of Michigan 1917, as amended	\$3.00
Police & Fire Pension Requirement:	Act 345, P.A. of Michigan 1937, as amended	\$2.00

Source: City of Wixom

TAX LEVIES AND COLLECTIONS

Levy Year	Tax Levy	Collections to March 1st	
		Dollar Amt.	Percentage
2007	\$10,941,562	\$10,644,479	97.28%
2006	\$10,217,362	\$9,947,133	97.36%
2005	\$10,126,397	\$9,777,970	96.56%
2004	\$9,877,265	\$9,637,926	97.58%
2003	\$9,271,867	\$9,022,925	97.32%

Source: City of Wixom

REVENUES FROM THE STATE OF MICHIGAN

Fiscal Year Ended 6/30	State Revenue * Sharing Payments
2008	1,081,862
2007	1,081,862
2006	1,115,069
2005	1,127,616
2004	1,140,012

* The annual revenue sharing payments and other monies received by the City.

Source: Web site <http://treasury.state.mi.us>

CITY OF WIXOM

County of Oakland, State of Michigan

Unlimited Tax General Obligation Road Bonds, Series 1997, dated 12/1/97, orig. amt. \$3,650,000, CUSIP # BZ7 to CQ6

Unlimited Tax General Obligation Bonds, Series 1999, dated 12/1/99, orig. amt. \$2,615,000, CUSIP # CR4 to DE2

General Obligation Unlimited Tax Refunding Bonds, Series 2001, dated 6/1/01, orig. amt. \$2,715,000, CUSIP # DF9 to DN2

Unlimited Tax General Obligation Water Bonds, Series 2001, dated 12/1/01, orig. amt. \$1,335,000, CUSIP # DP7 to EG6

General Obligation Unlimited Tax Refunding Bonds, Series 2004, dated 9/29/04, orig. amt. \$2,950,000, CUSIP # EJ0 to EP6

Limited Tax General Obligation Capital Improvement Bonds, dated 3/1/05, orig. amt. \$5,750,000, CUSIP # ET8 to FM2

CUSIP #s: 977493 See above for Issue Numbers

ANNUAL DISCLOSURE DOCUMENT

(Due by December 31 annually; FYE 6-30)

DEBT STATEMENT

DIRECT DEBT

Bonds <u>Dated</u>	<u>Description</u>	Amount Outstanding <u>6/30/2008</u>
<i>General Obligation Bonds:</i>		
12/01/97	1997 Road Bonds, UT	2,325,000
09/29/98	MI Bond Bank - Water, UT	2,398,795
04/01/99	MI Bond Bank - Water, UT	4,070,000
12/01/99	DPW & Fire Bldgs., UT	1,745,000
03/30/00	MI Bond Bank - Water, UT	4,768,331
06/01/01	Refunding, UT	450,000
12/01/01	Water, UT	1,000,000
09/29/04	Road Refunding, Series 2004	1,600,000
03/01/05	Capital Improvement (development), LT	5,750,000
		<u>\$24,107,126</u>
NET DIRECT DEBT		\$24,107,126

INDIRECT DEBT

10/1/2005	Drain, Tribute, LT	2,555,000
NET INDIRECT DEBT		<u>\$2,555,000</u>
NET DIRECT AND INDIRECT DEBT		\$26,662,126

OVERLAPPING DEBT

<u>Percent</u>	<u>Municipality</u>	<u>Amount Outstanding</u>	<u>City's Share</u>
0.10%	Novi S/D	\$136,205,000	\$136,205
2.88%	South Lyon S/D	204,805,000	5,898,384
15.94%	Walled Lake S/D	177,690,000	28,323,786
1.43%	Oakland County	105,467,280	1,508,182
1.43%	Oakland ISD	53,730,000	768,339
1.44%	Oakland CC	7,965,000	114,696
NET OVERLAPPING DEBT			<u>36,749,592</u>

NET DIRECT, INDIRECT AND OVERLAPPING DEBT	<u><u>\$63,411,718</u></u>
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Source: Municipal Advisory Council of Michigan

LEGAL DEBT MARGIN

State Equalized Value -- 2008	\$937,261,010
<u>Equivalent</u> IFT Value -- 2008	<u>7,022,290</u>
Total Valuation	\$944,283,300
Debt Limit - 10% of SEV & Equivalent IFT Value	\$94,428,330
Amount of Direct Debt	\$24,107,126
Less: Revenue Bonds	<u>0</u>
Net Direct Debt	<u>(24,107,126)</u>
LEGAL DEBT MARGIN	<u><u>\$70,321,204</u></u>

CITY OF WIXOM

County of Oakland, State of Michigan

Unlimited Tax General Obligation Road Bonds, Series 1997, dated 12/1/97, orig. amt. \$3,650,000, CUSIP # BZ7 to CQ6

Unlimited Tax General Obligation Bonds, Series 1999, dated 12/1/99, orig. amt. \$2,615,000, CUSIP # CR4 to DE2

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CUSIP #s: 977493 See above for Issue Numbers

ANNUAL DISCLOSURE DOCUMENT

(Due by December 31 annually; FYE 6-30)

GENERAL FUND BUDGET SUMMARY

	BUDGETED 2008/09
Revenues	\$10,131,018
Expenditures	9,218,770
Revenues over (under) Expenditures	\$912,248
Less: Capital Contributions or Transfers	1,125,731
Net Excess Revenues over (under) Expenses	(\$213,483)
Fund Balance -- July 1, 2008	1,665,996
Projected Fund Balance -- June 30, 2009	\$1,452,513

Source: City of Wixom

SCHEDULE OF BOND MATURITIES

As of June 30, 2008

Year	General Obligation Bonds	Revenue Bonds	Authority Bonds	Total	Percentage Payoff
2008	0	0	0	0	
2009	2,358,314	0	0	2,358,314	
2010	1,993,134	0	0	1,993,134	18.05%
2011	2,127,953	0	0	2,127,953	
2012	1,957,772	0	0	1,957,772	
2013	2,022,592	0	0	2,022,592	
2014	2,067,411	0	0	2,067,411	
2015	1,557,230	0	0	1,557,230	58.42%
2016	1,327,049	0	0	1,327,049	
2017	1,366,869	0	0	1,366,869	
2018	1,426,507	0	0	1,426,507	
2019	1,471,327	0	0	1,471,327	
2020	1,440,968	0	0	1,440,968	87.60%
2021	375,000	0	0	375,000	
2022	400,000	0	0	400,000	
2023	420,000	0	0	420,000	
2024	445,000	0	0	445,000	
2025	450,000	0	0	450,000	
2026	450,000	0	0	450,000	
2027	450,000	0	0	450,000	100.00%
	<u>\$24,107,126</u>	<u>\$0</u>	<u>\$0</u>	<u>\$24,107,126</u>	

City of Wixom, Michigan

Report to the City Council

June 30, 2008



Plante & Moran, PLLC

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Flint, MI 48502
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Fax: 810.767.8150
plantemoran.com

December 2, 2008

To the City Council
City of Wixom, Michigan

We have recently completed our audit of the basic financial statements of the City of Wixom, Michigan (the "City") for the year ended June 30, 2008. In addition to our audit report, we are providing the following report on internal control, results of the audit process, and informational/legislative matters which impact the City:

	<u>Page</u>
Report on Internal Control	I-2
Results of the Audit Process	3-5
Informational/Legislative Matters	6-11

We are grateful for the opportunity to be of service to the City of Wixom, Michigan. Should you have any questions regarding the comments in this report, please do not hesitate to call.

Very truly yours,

Plante & Moran, PLLC

A handwritten signature in dark ink, appearing to read "Joseph C. Heffernan".

Joseph C. Heffernan

A handwritten signature in dark ink, appearing to read "Brian J. Camiller".

Brian J. Camiller

Report on Internal Control

December 2, 2008

To the City Council
City of Wixom, Michigan

Dear City Council Members:

In planning and performing our audit of the financial statements of the City of Wixom, Michigan (the "City") as of and for the year ended June 30, 2008, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City's internal control. We identified one material weakness as part of our audit, related to reporting in accordance with generally accepted accounting principles. The original presentation of the deposit/down payment for the fire platform truck was recorded as an expenditure in 2008, rather than in 2009. We believe that generally accepted accounting principles require the expenditure to be recognized when the truck is received in 2009. Management has made this change, and will report the expenditure in 2009.

To the City Council
City of Wixom, Michigan

December 2, 2008

This communication is intended solely for the information and use of management, the City Council, and others within the City and is not intended to be and should not be used by anyone other than these specified parties.

Plante & Moran, PLLC

Results of the Audit Process

December 2, 2008

To the City Council
City of Wixom, Michigan

We have audited the financial statements of the City of Wixom, Michigan for the year ended June 30, 2008 and have issued our report thereon dated December 2, 2008. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated October 15, 2008, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. We are responsible for planning and performing the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. As part of our audit, we considered the internal control of the City of Wixom, Michigan. Our consideration of internal control was solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters and our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on October 23, 2008.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the City are described in Note I to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2008.

We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus.

There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no significant estimates included in the financial statements.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no sensitive disclosures included in the financial statements.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to report all known and likely misstatements identified during the audit. We have identified two misstatements identified below, both of which have been corrected by management.

- **Capital Planning Fund** - The purchase of a fire truck for \$885,325 was originally recorded as an expenditure at the time the cash was disbursed, in 2008. Because the truck was not received by year end, it was reclassified as a prepaid asset, and the expenditure will be properly recognized in fiscal year 2009.
- **Downtown Development Authority** - Captured property tax revenues transferred to the Development Debt Fund were originally reported directly in the City's debt service fund, rather than reported as captured revenue of the DDA, with a corresponding transfer to the City's debt service fund. The DDA Fund now shows the captured property tax revenue and a transfer to the Development Debt Fund.

Disagreements with Management

For the purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management's Representations

We have requested certain representations from management that are included in the management representation letter dated December 2, 2008.

Management's Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the City, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition of our retention as the City's auditors.

This information is intended solely for the use of the City Council and management of the City of Wixom, Michigan and is not intended to be and should not be used by anyone other than these specified parties.

Plante & Moran, PLLC

Informational/Legislative Matters

City of Wixom, Michigan

Informational/Legislative Matters

Financial Results/Plans

The City's current financial health continues to be strong. The General Fund ended June 30, 2008 with a fund balance of approximately \$2,000,000 (21 percent of annual expenditures and transfers), including a transfer to the Budget Stabilization Fund of \$632,891. When added together, the General Fund plus the Budget Stabilization Fund total \$4,640,993 (48 percent of annual expenditures and transfers). Of that amount in the Budget Stabilization Fund, \$1,250,000 came from surplus funds available in the Sewer Fund (relating to the readiness to serve charge received this year from Milford Township). Below is a comparison of your General Fund balance, compared to the Council's target of 15 percent of annual activity (amounts are in thousands):

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Target at 15% of annual activity (revenue)	\$ 1,222	\$ 1,344	\$ 1,370	\$ 1,416	\$ 1,414
Unreserved fund balance:					
General Fund	1,142	1,624	2,194	2,150	2,000
General Fund and Budget Stabilization Fund	1,142	1,624	2,194	2,869	4,641

The City is currently dealing with a 7 percent decline in its taxable value for the 2008-2009 fiscal year, caused by (a) the loss of the Ford Motor Co. plant and (b) the general decline in the real estate market (which is also impacting the Village Center Area development). The City is well aware that this negative outlook is likely to last two to four years. The positive fund balance results indicated above will be important to the City as it deals with declining revenues over the next few years.

Retiree Health Care

This is just a brief reminder that effective July 1, 2008, the City will be expected to measure the cost of retiree health care over the working life of its employees, rather than as it is paid. The City has already received a preliminary actuarial valuation as of June 30, 2005; that valuation calls for an annual contribution ranging from \$460,000 under optimistic assumptions, \$600,000 under moderate assumptions, and \$700,000 under pessimistic assumptions. Given the recent change of new nonunion employees from a defined benefit arrangement to a defined contribution arrangement, and despite investment returns recently being less than the actuarially assumed 8 percent, the City has made the optimistic contribution. The City has already accumulated approximately \$1,817,000, or 29 percent, of the estimated actuarial accrued liability. This puts the City in a very favorable position, relative to most other communities.

City of Wixom, Michigan

Informational/Legislative Matters (Continued)

In order for the City to complete its June 30, 2009 financial statements, it will need to clarify from the actuary which number should be used as the annual required contribution (ARC). The City should ask the actuary whether an implicit rate subsidy was assumed in measuring the ARC, since that will cause the City to change the method by which it measures its contribution in relation to the ARC. In addition, the City will need to remember to allocate the ARC to its enterprise funds, in order to fully comply with the new rules. Plante & Moran, PLLC will be putting on some seminars from mid-January to mid-February to help explain the various nuances of this new pronouncement.

Revenue Sharing

The table below details state-shared revenue for the City since 2000 broken out by statutory and constitutional portions.

State Fiscal Year	Statutory	Constitutional	Total	Decrease from 2001
2000	\$ 502,531	\$ 579,580	\$ 1,082,111	N/A
2001	511,469	860,664	1,372,133	\$ -
2002	460,228	869,432	1,329,660	(42,473)
2003	384,318	884,153	1,268,471	(103,662)
2004	265,494	874,548	1,140,042	(232,091)
2005	232,197	895,419	1,127,616	(244,517)
2006	207,728	907,156	1,114,884	(257,249)
2007	191,018	909,313	1,100,331	(271,802)
2008	160,349	921,513	1,081,862	(290,271)
2009*	180,514	905,150	1,085,664	(286,469)

*Estimated

If the State were to eliminate the statutory portion of revenue sharing (as the constitutional portion cannot be modified without a change to the State's constitution), the City has approximately \$181,000 at risk in its General Fund budget based on 2007 funding levels. In light of the current environment, we strongly encourage local governments to be conservative when budgeting or projecting the revenue-sharing line item.

City of Wixom, Michigan

Informational/Legislative Matters (Continued)

Potential Legislation Impacting Property Taxes

There are several pieces of legislation in Lansing that could impact property taxes going forward. These include the following:

- House Bill 4215 (Public Act 96 of 2008) allows property owners to obtain two principal residence exemptions in certain situations. The bill was designed for situations where a homeowner has purchased a new home and is unable to sell the existing home. The dual exemption only applies if certain conditions are met (i.e., the property previously occupied is for sale, not occupied, not leased or available for lease, etc.).
- A series of bills were introduced in March 2007 as part of a package to stimulate home sales (House Bills 4440, 4441, and 4442). The lead bill of that package, House Bill 4440, establishes an 18-month moratorium on the “pop-up” or “uncapping” of taxable value to state equalized value at the time of sale or transfer of a property. Property sales or transfers occurring in the time frame of the moratorium would continue to pay property taxes at the previous taxable value amount. The “pop-up” or “uncapping” of taxable value would be delayed until the property was sold or transferred in later years. House Bill 4440 actually passed the House in March 2007 and is currently in the Michigan Senate.
- Many property owners continue to struggle with the concept that their individual taxable values actually increased during a time that overall property values - and even their individual property values - have fallen. As we all have re-learned in recent months, that is a constitutional requirement that changed with Proposal A in 1994. It may be helpful to remember the principle behind Proposal A - its purpose was to disconnect taxable values from market value increases, and instead limit the growth in taxable values to the lesser of 5 percent or inflation, until that point that the property transfers ownership. Now that the market values are declining in many areas, Proposal A continues to stay disconnected, and allows the taxable value to increase by the lesser of 5 percent or inflation (up until the point that it reconnects with market values).

Fairly or not, this year, many property owners said it did not feel right when they saw their taxable value increase by inflation when market value did not. This has led to a discussion as to whether a third variable, called “change in market value,” needs to be added to the Proposal A formula. In what some are calling a “super cap,” the Proposal A formula to determine annual increases in taxable value (if property is not sold or transferred) would be the lesser of three components: inflation, change in market value, or 5 percent. Therefore, if the market value of the parcel was either flat or declining - even if the taxable value of the particular parcel was less than state equalized value - there would be no annual increase. To date, a proposal to accomplish this change has not moved through the Legislature. A change of this nature would impact local government budgets.

City of Wixom, Michigan

Informational/Legislative Matters (Continued)

- As part of the changes to the single business tax last year and the introduction of the Michigan business tax, changes were also made to the calculation of tax rates applicable to industrial and commercial personal property taxes. As advertised, industrial personal property taxpayers received a reduction of the school operating mills (up to 18 mills) and the six mill state education tax. Commercial personal property taxpayers received a reduction of up to 12 school operating mills. However, if your community has a school district with “hold harmless” school mills, you must add back any hold harmless millage prior to computing the total mills to be levied. This may generate questions from commercial and industrial taxpayers.
- A Michigan Supreme Court case has changed how local governments can treat public service improvements by developers. Leading up to the court case, as private property owners or developers installed public service improvements (i.e., such as street lights, water and sewer lines, etc.) there was normally an increase in their property tax assessment. The Michigan Supreme Court upheld a Court of Appeals ruling that the installation of public service improvements does not constitute a taxable addition.

Reminder - Change in Investment Act

Public Act 213 of 2007, adopted at the end of 2007, requires local governments to perform their investment reporting quarterly to the governing body. The investment of surplus monies by Michigan local governments is controlled by Public Act 20 of 1943. The Act previously required investment reporting annually. It is suggested that the required quarterly reports list investments by institution along with maturity dates and interest rates.

Other Legislative Items

- As part of Michigan’s new “Planning Enabling Act,” many local governments will now be required to prepare an annual “capital improvements program.” This new requirement is effective September 1, 2008. According to Public Act 33 of 2008, a planning commission, after the adoption of a master plan, shall annually prepare a capital improvements program of public structures and improvements. The law does allow that if the planning commission is exempted from this requirement, the legislative body shall prepare and adopt a capital improvements program or delegate this responsibility to the administration of the local unit for the ultimate approval by the legislative body. The law provides that the capital improvement program report public structures and improvements that, in the community’s judgment, will be needed or desirable within the next six years. The law also requires that the public structures and improvements included in the capital improvements program be prioritized. While the law is restricted to “public structures and improvements,” we strongly encourage the inclusion of all capital assets - vehicles, machinery and equipment, office furnishings, etc. In addition, we feel the participation of the governing body (in addition to or instead of) the planning commission is good public policy.

City of Wixom, Michigan

Informational/Legislative Matters (Continued)

This same public act added several other requirements of planning commissions, including annual reporting by the planning commission to the legislative body along with the mandatory creation of a master plan.

- Multiple bills are pending in Lansing that would make changes to investment laws governing Michigan communities. Changes have been proposed to add different types of investments to what is commonly referred to as “Public Act 20,” which governs the investment of surplus operating monies. Changes are also being proposed to the laws governing the investment of retirement monies.
- A bill is pending in the Michigan Legislature regarding retainages held by governmental units. Retainages are a common method used by local governments in procurement, particularly in the area of construction contracts. The law change focuses on reducing the retainage amount that a local government could require and stipulate the payment of interest on these monies among other provisions.
- Efforts continue in the wake of the *Bolt* case to provide a means for local units of government to engage in rate making to finance the cost of utility operations, particularly that of storm water. Senate Bill 1249 has been introduced to address the tests included in the *Bolt* decision on whether a charge is really a fee or a tax.
- At the federal level, a 2005 law change continues to get more attention as its effective date approaches. As part of the Tax Increase Prevention and Reconciliation Act of 2005, a new mandate was introduced which will require any governmental entity spending more than \$100 million a year in goods and services to withhold 3 percent of government payments beginning in 2011. Governmental units subject to this requirement will also be subject to new reporting rules for applicable payments. Numerous groups - both public and private sector, including the U.S. Department of Defense - have expressed concerns on the cost and practicality of implementing this new mandate. A bill is pending in Congress to delay implementation by a year until January 2012.